London, Thursday, August 18, 1994

Plutonium Traffic

Linked to Pakistan

Papers Discovered in Berlin Raids Pertain to Shipments, Police Say

Compiled by Our Staff From Dispatches

BERLIN - Policemen raided apartments throughout Berlin on Wednesday and found evidence suggesting that smugglers were planning to ship or had shipped contraband plutonium to Pakistan, a, spokesman for the Berlin State Justice

Frank Thiel, the ministry spokesman, said no arrests were made and that no radioactive material had been seized but that documents found in some apartments had created the "suspicion that plutonium has been transported to Pakistan or that a transport was about to be made."

The news came as President Boris N. Yeltsin of Russia pledged to cooperate fully with Bonn in the light to thwart a trade in highly radioactive plutonium-239 and enriched uranium, used in the making of nuclear weapons.

Mr. Thiel said seven apartments and offices were raided by about 30 officers and prosecutors and that a Pakistani national, two Poles and a German, believed to be the ringleader, were under investigation. The four were released after question-

He said that no radioactive substance or trace of radioactivity was found but that the documents "strengthened" the suspicions. He would not comment on the suspected source of the plutonium shipment, or on its size, saying that that could endanger the investigations.

The Berlin daily Die Welt said maps and documents relating to the transport of plutonium by car and also a passport containing Pakistani visas had been found.

Pakistan, as well as India, is one of several countries believed to have a nuclear capacity.

German policemen have seized four caches of weapons-grade nuclear material since May. The seizures, notably 350 grams of plutonium-239 discovered last week in Munich, have prompted the Clinton administration to demand that Russia tighten control of nuclear weapons components so the material does not fall into the hands of terrorists.

In Washington, the State Department said Wednesday that President Bill Clinmeeting next month to prevent smuggling of nuclear materials. The department

spokesman, Michael McCurry, said the United States viewed the matter as having "high priority" on the agenda of the talks.

No. 34,670

In a television interview on Wednesday night, Chancellor Helmut Kohl asked Mr. Yeltsin to take stronger measures to ensure that radioactive materials are not secreted out of Russian nuclear plants.

"Now we have to tell our Russian friends, 'You must guarantee that these possibilities for theft are reduced as much as possible," Mr. Kohl said in an inter-view on SAT-1 television. "We are not talking about car theft here. We're talking about dangers that are far different."

Peter Struck, a German lawmaker, said security authorities believed that former

International inspectors find Russia's gigantic nuclear industry in a state of chaos. Page 4.

agents of the KGB and the East German intelligence service, called the Stasi, had a hand in the underground trade.

Mr. Struck, a Social Democrat, said that suspicion was imparted by Bernd Schmidbaner, Mr. Kohl's top intelligence aide, during a closed-door session of a parliamentary committee Wednesday.

But in Russia, nuclear officials insisted Wednesday that there was no evidence linking Russia to plutonium seized in Germany, and they said that they were unable to offer help until German investigators let them in on the investigation.

"So far, we haven't got any official in-formation on what kind of materials they found," said Vitali Nasonov, a Nuclear Power Ministry spokesman.

"As soon as we have detailed information, we're open to any cooperation," Mr. Nasonov said. "We can analyze the samples and compare them with the radioactive materials produced at our plants." He added that the ministry would work with German specialists expected to arrive

A well-placed German government official said Wednesday that a minuscule amount of plutonium-239 seized Friday at the Bremen train station could have come from anywhere in Eastern Europe. But the official said the makeup of the larger ton would press Mr. Yeltsin at a summit amounts of plutonium that have been seized indicated Russian origin.

French troops preparing Wednesday to hand over their Rwandan peacekeeping responsibilities to forces from Ghana in the "safe zone" in Gikongoro.

Fear Overtakes Tutsi as French Prepare Pullout

By Keith Richburg

Washington Post Service

NYARUSHISHI CAMP, Rwanda — With France vowing to pull out its troops by Monday, fear has gripped the thousands of Tutsi families who sought protection here in the "humanitarian safe zone" under French protection in southwest Rwanda.

"The militia is still here," said Silas Munyankindi, a 32-year-old father of two, scanning the lush green hills and tea plantations that surround this gnarded camp. The leaders have already left. But the ones with the machetes are still out there."

troops here for a few more weeks to stabilize the situation. France made its first significant withdrawal from the safe zone on Wednesday, handing over to African UN troops the delicate task of persuading terrified refu-

gees to stay put, Reuters reported.
[About 130 soldiers of France's Operation Turquoise left the town of Gikongoro, while control of about a third of the safe zone was transferred to United Nations peacekeepers from Ghana. Washington had wanted the French troops to stay in the safe zone until several thousand African soldiers are in place to assume their peacekeeping role.]

Like many of the 14,000 members of Rwanda's Tutsi minority camped here, Mr. Munyankindi came from the nearby town of Cyangugu, where he and thousands of into a sports stadium with little food or water, waiting for their turn to die at the bands of government soldiers and militiamen from the country's large Hutu majority.

While relief workers stood by helplessly, army troops repeatedly entered the stadium during April and May, accompanied by local government officials, reading off the names of Tutsi who had been singled out that day for

"They came in and took out the people to be killed," Mr. Munyankindi said. "They took the businessmen, and the intellectuals. They had a list organized by commune."

When it was his turn to die, he said, he had friends bury him beneath the ground, leaving only his nose visible above the earth to allow him to breathe. And there he stayed for 20 minutes while the troops searched the stachum to take him to his death.

About I million people, mostly Tutsi, are estimated to See RWANDA, Page 4

Treasury Aide Quits in Whitewater Affair

WASHINGTON — Deputy Treasury Secretary Roger C. Altman, accused of misleading Congress with his Whitewater testimony, resigned Wednesday and said he hoped his action would "help to diminish the controversy." The Treasury's senior lawyer, Jean E. Hanson, also is expected to

step down.

Mr. Altman is the highest-ranking member of the Clinton administration to quit in the Whitewater affair, which stems from a real estate venture involving President Bill Clinton and his wife, Hillary, and the own-

er of a failed Arkansas savings and loan. Mr. Altman, in a letter to Mr. Clinton, said of his resignation: "Under the circumstances, this is the proper step to take." He.

added, "I regret any mistakes or errors of the president's budget package through judgment I may have made."

Mr. Clinton wrote in reply. "I believe you have taken the right step under the nistances."

Dee Myers, rejected suggestions that Mr. Altman was forced to quit. "This was Roger Altman's decision," she said.

The president has publicly supported Mr. Altman, but his aides have privately pressed for the resignation.

A former Wall Street investment banker, Mr. Altman is a close friend of Mr. Clinton's from their days at Georgetown University. He became a leading figure in the administration when he helped steer Congress last year.

Earlier in the week, the administration floated the name of Frank N. Newman, undersecretary of treasury for domestic finance, as a possible replacement for Mr. The White House press secretary, Dee

> Ms. Hanson, whose Whitewater testimony contradicted that of Mr. Altman and Treasury Secretary Lloyd Bentsen, has told colleagues that she will resign, but not immediately.

Ms. Hanson testified that Mr. Altman had ordered her to brief the White House about the confidential Whitewater investigation. Mr. Altman has said he did not See QUIT, Page 4

CHINESE HAT TRICK - Chinese soldiers balancing their caps upside down during a military training exercise Wednesday at a Beijing barracks.

Kiosk

House May Delay **Health Bill Votes**

WASHINGTON (AP) - As Senate Republicans prepared to offer amendments to a health reform bill in their chamber, the House majority leader, Richard A. Gephardt, said Wednesday that he probably would put off House votes on its version until after Labor Day, Sept. 5.

Mr. Gephardt told House Democrats to expect no votes next week. Related article, Page 3

Books Bridge

Down

Page 7.

A Report Sure to Peeve the Pope

UN Group Campaigns for Greater Birth Control

By Julia Preston

Washington Paul Service
UNITED NATIONS, New York — The number of humans on earth is increasing faster than ever and will reach 8.5 billion by the year 2050, severely straining the planet's resources, unless the rate is slowed, according to a United Nations world population report issued Wednes-

day.

But in a departure, the UN Population
Fund said in its annual report that the way to bring down the growth rate is to educate and empower women so they can decide how to control their own fertility.

Instead of the bland roster of statistics of past UN reports, this one was a broadsheet of the views that the United Nations and many governments, including the

Clinton administration, will do battle for against the Roman Catholic Church and some conservative Muslim groups at the UN population conference that opens Sept. 5 in Cairo.

The report insists that allowing women to control their fertility and have small families is key to overall development, an argument that is anathema to Catholic leaders who oppose medical birth control and welcome large families.

The document makes clear why the United Nations conference is shaping up as a frontal clash between feminists worldwide and the Vatican. "The invisibility of women as individuals, as opposed to their roles as wives or mothers, may be coming See BIRTHS, Page 4

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In China, Millions of Lonely Guys Can't Find a Girl

By Philip Shenon New York Times Service

BEIJING - In the free markets of the new China, young men are coming to realize that there is something even more precious than a new car, an electronic pager or

a Swiss-made watch. That precious something, an unmarried woman, is becoming harder and harder to find. There are not nearly enough of them, a situation that is

creating anguish for millions of men and has at least the potential of revolutionizing the status of women in this traditionally male-dominant society.

What sort of woman do I want?" responded Xu Wenyuan, a lonely 30-year-old who agreed to dress up in a sky-blue satin suit and warble a few bars of "Song for the Motherland" on a TV matchmaking show in Beijing. "It doesn't matter."

If he had hoped to prove his desperation in the search for a wife, Mr. Xu succeeded in those two minutes in front of the cameras. "Women are so hard to find now." he explained. "And I just want one."

For Mr. Xu and other Chinese men in search of love. the offerings of the Chinese State Statistical Bureau are heartbreaking. The 1990 census showed that of a population of 1.2 billion, about 205 million over the age of 15 are single. And of them, there are nearly three men for two

A three-to-two ratio might seem bad enough to most men. But the numbers suggest that the situation becomes far, far bleaker for a man the longer he stays unmarried. The figures show that while the vast majority of Chinese adults marry by the time they turn 30, 8 million people in their 30s were still single in 1990. And in that age group, the men outnumbered the women by nearly 10

There is an ugly explanation for the relative scarcity of unmarried women: the desire of Chinese couples for boys at almost any cost.

The preference for boys has meant that millions of girls have not survived to adulthood because of poor nutrition. inadequate medical care, desertion and even murder at the hands of their parents.

China's strict rule of one child per family, imposed in the late 1970s and meant to defuse a population time bomb, has only worsened the insistence on having male heirs. Ultrasound machines and ready access to abortion have made it relatively simple for parents to guarantee that their one child is a boy.

But after generations of tampering with nature, nature has begun to exact its revenge. And this time, the victims are Chinese men. The numbers suggest that tens of millions of men at the turn of the century will be lifelong bachelors because there will not be enough women.

"Of the young people who come into this office, at least 70 percent are men," said Li Xiao Tong, a Beijing social See MARRY, Page 4

The New Breed Of Terrorist Scorns Fame

By Joseph Fitchett

PARIS — In giving up "Carlos the Jack-al" to the West, Sudan — and presumably like-minded Muslim forces in Iran. Egypi and Algeria - were not disavowing terrorism but simply discarding an instrument that had become a liability. American and Middle Eastern officials said Wednesday. History caught up with Carlos almost a

decade ago, leaving behind a generation of flamboyant operatives who thrived on Western-style charisma and Arab fascination with Marxist-oriented, anti-colonialist doctrines of revolution. That era produced mixed results for Arab countries, opening the way to Islamic fundamentalism -and a new breed of militant, according to these specialists.

Stepping into the shoes of a generation of terrorist stars, the coming wave of Mid-dle Eastern extremists tend to be faceless Muslim zealots, anonymous killers who undertake what are in effect suicide mis-

Resembling other terrorists in their readiness to kill innocent people, these fanatics — strongest in Iran, Sudan. Algeria and Egypt — cultivate puritanical lifestyles and anonymous terrorism, a combination with religious overtones to people steeped in Islamic traditions of martyr-

"For Muslims, they touch a chord similar to the spirit of anonymous sacrifice we revere in monuments to the unknown soldier," a U.S. government specialist said. Nothing could be farther from the cool style of Carlos, who was captured Sunday

in Sudan and flown to France. Carlos thrived on a personality cult. But his credentials, almost as much as his reputation for fast living, are anothema to Is-lamic fundamentalists, who feel that salvation depends on eliminating Western

influences in their own countries. Instead of personal charisma, they thrive on anonymity. International headlines about skyjackings or the assassination of celebrities interest them very little; notoriety about themselves, not at all. Their political strategy is based on being religious activists in their national community and eliminating proponents of Western values, physically if necessary, to clear the way for fundamentalist social revolu-

The traits of today's terrorists contrast in crucial ways with their notorious predecessors. One official said. "These people don't need the technical sophistication which Carlos was supposed to offer, and they don't want mercenaries."

Another added, "Their people can kill See CARLOS, Page 4

Relentless Italian Judges Smell More and More Bribery

By William Drozdiak

MILAN - Italy's "revolution of the judges" appears poised to enter a new phase that could imperil some of Prime Minister Silvio Berlusconi's closest allies and provoke fresh alarm about the fate of the country, according to judicial and political sources.

Thirty months after crusading magistrates started to unravel a system of kickbacks for government contracts - revelations that brought down the country's postwar political establishment — the investigation is delving into new allegations of bribery and tax evasion involving top enterprises and members of the country's financial police.

At least 50 businessmen - including Mr. Berlusconi's younger brother, Paolo, who now is under house arrest - are under scrutiny in the latest wave of corruption charges. While they have been spared the humiliation of jail, the businessmen (ace intense pressure to give testimony that could expand the inquiry into new

Forza Italia party, said she feared the country book publishing and insurance.

EUROPEAN

TOPICS

first car-pooling experiment has proven a big bust.

Now the experiment is be-

vocative role of a former

that it be reopened to all traffic on Monday.

As the daily Die Welt of

Hamburg reports, the special

lane had already become

inflatable dummies. And a

hearse driver, when stopped

for traveling alone, pointed

out that there were two other

people in the vehicle —

though neither was in any par-

Slowly, tourists are return-

ticular hurry.

Around Europe

Dutch Car Pooling

Falls Victim to Suit What was billed as Europe's

watch for violators.

month that curtailed their powers of detention unleashed a torrent of public outrage that nearly toppled the government and forced the prime minister to withdraw the measure.

The immense powers and popularity of the Milan magistrates have started to raise questions about whether they have exceeded their constitutional role to such an extent that Italy is hovering on the brink of an institutional crisis.

"We are only doing what the state pays us to do," said Gherardo Colombo, one of the four principal Milan magistrates. "How can there be a crisis of democracy when we are only uncovering wrongdoing based on evidence we find and

testimony given by private citizens?"

Mr. Colombo said in an interview that he estimated the Milan investigation was halfway through its prospective caseload. More than 4.000 businessmen, politicians and bureaucrats have been implicated in corruption schemes.

He refused to discuss pending cases, but other The burgeoning corruption cases could set the judicial sources said the prosecutors were pursustage for further conflicts between Italy's execu- ing cases that could soon lead to charges against tive and judicial branches this autumn. Tiziana. top executives of Mr. Berlusconi's \$7-billion-a-Parenti. a former Milan magistrate who quit to year Fininvest empire, which includes television join Parliament as a member of Mr. Berlusconi's stations, real estate, supermarkets, newspapers,

faced "a crisis of democracy" in the looming showdown.

A threat by the magistrates to resign in the face of a decree issued by Mr. Berlusconi last month that curtailed their powers of detention.

That step, in turn, would lead to a new test of wills between the judges and the prime minister, who won national elections in April, three more suicides have occurred with year.

Mr. Colombo disavows any notion of a political venturalistic distribution of a political venturalist of control of the prime minister, who has reliminately their powers of detention.

relinquished his vast business holdings.

After his retreat and subsequent offer to introduce compromise legislation on preventive de-tention, opinion polls showed that Mr. Berlusconi's approval rating had fallen to 48 percent. Antonio Di Pietro, the most widely recognized of the Milan magistrates, was cited as the most popular man in the country with an 85 percent approval rating, followed by Milan's chief prosecutor, Francesco Saverio Borrelli, with 67

But the judges, too, are confronting allegations about abuse of power. Human-rights advocates accuse the magistrates of using the threat of payoff scandal. prison to extract confessions and of forcing people to languish in jail for months without being quests, such as

Italian law allows prosecuting judges to imprison suspects for up to three months before sia and who was sentenced recordering them if the judges believe there is a risk in prison on corruption charges. the suspects will tamper with evidence, flee the country or commit additional crimes.

Such incarceration has proved too much for some of Italy's fallen elite. Last year, Gabriele tion of up to three mouths. None of those freed Cagliari, the powerful chairman of the giant under Mr. Berlusconi's decree have been reenergy conglomerate ENI, hanged himself in his turned to jail, although they remain under house jail cell after learning that his 40-day stay would arrest.

cal vendetta against the prime minister, who has accused the Milan magistrates of craving "star

status" over fairness and justice.
The magistrate said that he, Mr. Di Pietro. Piercamillo Davigo and Francesco Greco offered to resign over the detention decree not because they wanted a political showdown with Mr. Berlusconi but because they saw it "strictly as a problem of conscience."

The decree would have abolished preventive detention for those accused of nonviolent crimes and corruption. As a result, more than 1,000 people were released from prison, including all politicians and businessmen embroiled in the

It also would have banned extradition requests, such as one pending against Mr. Berlusconi's close friend Bettino Craxi, the former Socialist prime minister, who is in exile in Timisia and who was sentenced recently to 81/2 years

The amended legislation put forward by the government will allow defendants in corruptionrelated cases to be subject to preventive deten-

Threaten

UN to Get

SARAJEVO, Bosma-Herze-

govina — Bosnian Serbs

stepped up pressure on the United Nations on Wednesday,

saying they could prevent con-voys from crossing their territo-

Fighting, meanwhile, flared

near Sarajevo in violation of a UN-mandated heavy weapons

exclusion zone.
Serbs said they would block

UN couvoys through their terri-tory beginning on Thursday un-less peacekeepers hand over fuel, according to a UN military spokesman, Major Rob An-

He said, "It is blackmail and

nian Army forces traded shell-

ing attacks on Tuesday near

Breza north of Sarajevo, violat-

ing the 20-kilometer (12-mile) UN weapons exclusion zone around the capital, Major An-

Fighting in the area almost provoked North Atlantic Trea-

ty Organization air strikes:

The Bosnian Serbs' move to

block convoys came two weeks

blockade against them over

Serbs' latest demand.

their rejection of the latest in-

Bosnian Serbs, under pres-

sure to accept the peace plan, have tested the UN's resolve in

the past month, raiding UN

city for weeks by shooting at

The commander of the Bos-

nian Army, General Rasim De-

lic, said his forces were shifting

to an offensive stance and

would gradually turn the tide

against the Serbs.
"We are like a snowball get-

ting bigger as it rolls down from the top of a hill," General Delic

told state television in Sarajevo.

"If things continue as they are, the process of liberation will

tence, protected from Serbian

shelling by a NATO-enforced

cease-fire, would end as the

Muslims went on the offensive.

likary Base

nink said.

WORLD BRIEFS

Crowd Burns Nigerian Aide's Houses

LAGOS (AP) — Protesters firebombed two mansions belonging to Labor Minister Samuel Ogbemudia, witnesses said Wednesday, as government ministers and British diplomats in Lagos boosted their security and more police patrolled the streets. On Tuesday night, a march against the military government by university students in Benin, 250 kilometers (150 miles) east of Lagos, was joined by other angry civilians. The crowd threw gasoline bornbs at Mr. Ogbemudia's houses and watched them burn to the ground.

burn to the ground.

Meanwhile, talks between Nigeria's striking oil unions and the military administration, which were due to be held on Wednesday, failed to take place because the government side did not show up, union officials said.

5 Italians Face Trial for Racist Attack

ROME (Reuters) — Five Italians received suspended jail sentences on Wednesday for resisting arrest after they attacked a Senegalese beach vendor in a racist incident.

The police said three men and two women from Rome, all in their 20s, surrounded the Senegalese man and attacked him with broken bottles on a beach near the Sardinian capital of Cagliari on

The five will be tried at a later date for aggravated assault and for damaging state property, the Italian news agency ANSA reported, adding that they allegedly vandalized the jail cell they were kept in while being booked.

Walesa Vetoes Spy Post for Ex-Agent
WARSAW (Reuters) — President Lech Walesa asked the
government on Wednesday to revoke the appointment of a former
Communist-cra superspy to head Poland's intelligence service, the
residential office said

Rebel Serbs presidential office said.

It said Mr. Walesa was concerned that the appointment of Marian Zacharski, who received a life sentence in 1981 in Los Angeles for spying, would harm Poland's relations with the West.

Mr. Zacharski, who was appointed on Monday, is believed to have intercepted secret plans of Hawk and Phoenix missiles and those of the anti-missile system Patriot dring his espionage operations in the United States between 1975 and 1981. Following his expect and trial has use explanated in 1985 for Mactern agents. his arrest and trial, he was exchanged in 1985 for Western agents caught in the then Soviet bloc. **Fuel Supply**

Opposition in India Ends Boycott

NEW DELHI (Reuters) — The Indian opposition ended its boycott of Parliament on Wednesday after the government backed down in a dispute over a \$1.28 billion financial scandal. Prime Minister P.V. Narasimha Rao and members of his Congress (I) Party thumped their tables in welcome as the opposition returned after nearly three weeks. The scandal, which surfaced in 1992, involved banks and brokers accused of illegally diverting funds from government securities to the booming Bom-

bay Stock Exchange.

The opposition walked out over what it alleged was a government cover-up. The government had partly rejected recommendations of an all-party parliamentary committee report on the scandal. The speaker of the lower house, Sivraj Patil, announced that the government had agreed to "revise, modify and resubmit" its position, paving the way for the end of the boycott.

Japanese Is Said to Admit Poaching

VIADIVOSTOK, Russia — The wounded captain of a Japanese fishing boat has confessed that he and his crew were poaching in Russian waters before a patrol boat opened fire on them, a ussian news agency reported Wednesday.
"The border guards found three boxes of fish aboard the boat,

we will not comply. It doesn't matter how much they want. We will not give them fuel." Serbian and Muslim-led Bosand the captain confessed they violated the law," Itar-Tass said. The captain, identified by Japanese authorities as Koichi Ikeura. 31, was hit by shell fragments. After surgery, he was taken to Sakhalin Island for further treatment and eventual trial, a Russian border guard official said.

Separately, a news report Wednesday quoted a Japanese Mari-time Safety Agency official as saying that another Japanese fishing boat had been fired on near the Kurils by what was suspected to be a Russian Coast Guard vessel.

Riot in Lesotho as King Bars Cabinet

JOHANNESBURG (AP) — Angry that the king dissolved the elected government, thousands of people protested Wednesday in after their long-time patron, front of the royal palace in Lesotho. Troops fired at the crowd, and four people were reportedly killed.

The violence in Lesotho, a small independent state surrounded Serb-led Yugoslavia, imposed a

by South Africa, began after supporters of the ousted government began throwing stones, the South African Press Association said.

Police and soldiers answered with gunfire. The agency, citing
police, said at least four people were killed and 10 wounded.

King Letsie III said on state radio early Wednesday that he was

ternational peace plan.

Major Annink said possible fuel shortages caused by Belgrade's blockade would be a "logical explanation" of the dissolving the cabinet of Prime Minister Ntsu Mokhehle, the country's first democratically elected government in 23 years. The decision appeared to be a maneuver to hand power to his father, former King Moshoeshoe II.

TRAVEL UPDATE

Tierances

CLASS WARKET

Israel and Jordan Join on Tourism

SEDOM, Israel, (AP) - The tourism ministers of Israel and Jordan agreed Wednesday to jointly promote American tourism

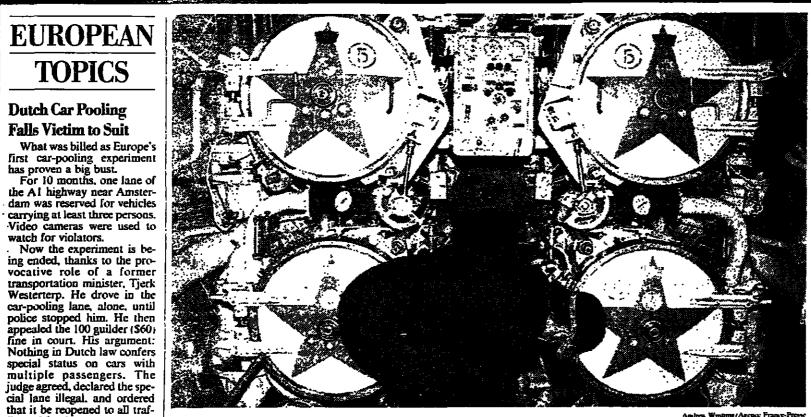
"I've ordered my commission in New York to be in touch with the Jordanian commission in order to plan things for both of us," the Israeli tourism minister, Uzi Baram, said after meeting with

his Jordanian counterpart, Mohammed Adwan. It was the first time a Jordanian minister had ventured inside Israel since the two countries signed the Washington Declaration last month, ending a 46-year state of war. The countries would jointly market an array of tourist attractions such as Jerusalem holy sites and Jordan's ancient Nabatean city of Petra as well as Israel's Mediterranean coast and the twin Red Sea resorts of Eilat, Israel and Aqaba, Jordan

Moroccan airline personnel have voted to continue a strike after unsuccessful talks with the management. The crews have been on strike for more than a week to protest regulations giving crews

Wildfires burned out of control Wednesday on the Greek islands of Lesvos and Andros, while a third broke out on Crete. (AP)

The Philippines should improve Manila's crowded airport and streamline arrival procedures to attract more tourists, according to Günther Fischer, Lufthansa Airline's general manager for the Philippines. He urged improvements in the physical condition of the international airport; an automatic baggage and passenger to the domestic airport; and a system allowing some transfer to the domestic airport; and a system allowing some travelers to have their bags inspected by customs at final destinations outside Manila



COLD-WAR EXHIBIT — A worker putting the final touches on restoration work on U-475, an old Soviet Foxtrot class hunter submarine retired in 1976 from the Baltic fleet. It opened Wednesday as a tourist attraction in London.

something of a mockery. Some people, borrowing an idea from America, traveled with ible damage during a yearlong siege by Bosnian Serbs.
After leaving much of the city in ruins — two-thirds of the 824 buildings in the medieval Old City were hit by shells or grenades - the Serbs withdrew to the east. They are now some 25 kilometers away.

Recovery will be slow, partly because of the blow to tourism, which, before the war, accounted for 65 percent of the city's income, according to the German weekly Der Spiegel. Adriatic city that suffered hor- Hotels in and near prewar Du- skittish recently. In the French | found that she had even had | Brian Knowlton

brovnik put up 60,000 guests a night. The figure today is close to 2,000.

Those few foreigners who are making the trek to the 1,300-year-old city are finding that Dubrovnik, without the usual crowds, is remarkably peaceful — and cheap. As one German tourist said, "I feel safer here than I would in

Maternity clinic employees can be forgiven for being a bit

town of Mortagne-du-Nord, | birth announcements printed police on Saturday found a baby that had been taken two days earlier from a nearby clinic. A woman identified as Nadege Brevière, 37, had gone to great lengths to plan the abduction. She had told friends she was pregnant, decorated a room for a baby, and for months were padding. Affor months were padding. Af-ter making off with the infant, bracelets which will set off an she had an ambulance bring alarm at the exit unless deactiher home. Police, aided by a

while, after the highly publivated.

U.S. Debates Somalia Pullout Danger to Diplomats Weighed Against Political Fallout

By Bradley Graham

Washington Post Service
WASHINGTON — Clinton administration officials, worried by a rise in violence in Somalia and by intelligence reports of Americans being targeted, were talking last month about rapidly pulling out the

last U.S. diplomats and Ma-But no withdrawal has taken place, amid continuing differ-ences between officials of the Defense and State departments over what to do. The debate weighs the threat to the Americans against the political cost of abandoning participation in the United Nations mission in So-

About 20 diplomats are still in the capital, Mogadishu. charged with supporting UN efforts to promote political reconciliation among warring clans. More than 50 Marines with anti-terrorist training are there to guard the diplomats.

The Pentagon has been arguing for months that the Marines should be withdrawn and replaced with civilians from 2 private security firm. More recentofficials have also urged evacuating the diplomats to nearby

Marines in Somalia after Sept. 30. Kenya for their safety.

Why are we keeping this thing going?" asked a Pentagon official. "It's an accident waiting to happen."

But the State Department is reluctant to close the U.S. office in Mogadishu, fearing that such a move would lead to the end to the whole UN mission. And as long as American diplomats remain, State Department offi-cials want the Marines in Mogadishu, feeling more secure with them there and avoiding the extra cost of hiring a security firm.

Twelve members of the Senate last month urging a pullout of U.S. diplomats and troops because of the poor prospects of achieving a peace agreement and the deteriorating security

proved, 54 to 44, an amendment to the defense authorization bill ly. Defense Department cutting off funds for keeping

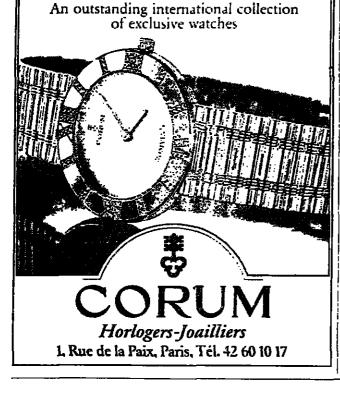
weapons depots, cutting off the main commercial route into Sarajevo and shutting down the humanitarian airlift into the

About 18,000 UN troops, including 10,000 in Mogadishu, are responsible for overall secu-rity for American and UN personnel and for escorting relief convoys. But the peacekeepers have largely taken refuge inside their compounds to avoid the fighting outside, which has inhibited relief efforts and killed and wounded scores.

Even the UN secretary-general, Butros Butros Ghali, has questioned the size and cost of the international operation in view of its diminished effective-General Delic warned of n ore war, telling Sarajevans their relatively sheltered exisness. The Clinton administra-The sentiment on Capitol tion has been pressing UN offi-Hill favors an early withdrawal. cials to consider scaling back the mission or ending it, con-Armed Services Committee tending that the large interna-wrote President Bill Clinton tional presence may be impeding a political settlement.

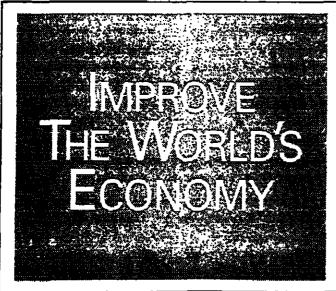
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situation since the withdrawal of most U.S. troops last March. It's never been easier to subscribe Last week, the Senate ap-



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THE AMERICAS / 'WE'RE INTO GALLOUSE



Denois Cook/The American Provi GOTCHA — A newspaper photo of Janice Payne, the mother of a 9-year-old murder victim, at a White House gathering to support President Bill Clinton's crime bill has had unexpected repercussions. A probation officer in Gretna, Louisiana, recognized her as being wanted for violating her probation in a drug case.

House Feud Could Wound Colleges

WASHINGTON - A long-simmering feud between two powerful House Democrats has erupted into a full-fledged battle over what one considers political prerogative and the other calls scientific pork. The struggle may cost America's leading research universities hundreds of millions of dollars in money they expected to get from the Pentagon.

The fight is between Representative John P. Murtha, a Pennsylvania Democrat who is the chief protector of academe's have-nots, and Representative George E. Brown Jr., a California Democrat who is the champion of the research

Mr. Brown heads the House Committee on Science, Space and Technology, which sets science and technology policy. But Mr. Murtha, as chairman of the House Appropriations subcommittee on defense, holds the purse strings on the tens of millions of dollars that go annually to each of the biggest research universities, like Stanford and Johns Hopkins.

He has routinely made sure that a share of this money that the Pentagon allots for research goes to smaller universities in his district and in the districts of lawmakers who curry his

favor. The practice is known as earmarking.

Mr. Murtha is miffed because, even as the largest universities continue to get the lion's share of the money, Mr. Brown repeatedly attacks earmarking. So several months ago, while his committee was drawing up the Pentagon appropriations bill for the fiscal year that begins Oct. I, he slashed the budget for academic science and engineering in half, to about \$900

The full House later approved the cuts. And although the Senate's version of the bill would restore all but \$80 million of them, the universities still stand to lose hundreds of millions of dollars when House-Senate negotiators work out a com-

This would devastate one of the most important sources of future innovations for U.S. forces," Defense Secretary William J. Perry said of the cuts in testimony to a Senate (NYT) subcommittee last month.

Cuts Mean Furloughs at Printing Agency

WASHINGTON - Too many federal agencies have begun taking Vice President Al Gore's advice to become more competitive and are doing their own printing. That has created a crisis for the Government Printing Office, the congressional agency that has controlled all federal printing since the days of Abraham Lincoln.

In response to what agency officials described as a looming multimillion-dollar deficit, the printing office has notified its 4,350 workers that they could soon face unpaid furloughs of up to two weeks to help the agency balance its books. (WP)

Train Bill Advances in House

WASHINGTON - The House has taken a step toward planning high-speed passenger rail corridors between major U.S. cities. On a 281-to-103 vote, it approved and sent to the Senate on Tuesday a bill authorizing \$184 million over three years for environmental, economic and engineering studies and for acquiring rights of way.

President Bill Clinton has proposed development of a nationwide, high-speed passenger network. The House Energy and Commerce Committee approved a \$1.2 billion, fiveyear program for construction and development, but severe budget restraints have made it unlikely that the money will be

Alaska Governor to Call It Quits

JUNEAU, Alaska - Governor Walter J. Hickel has ended months of speculation by announcing that he will not seek a third term. "My decision is based on how I can best serve Alaska," the Republican said, a week before the primary

Quote/Unquote

James B. Stockdale, 70, the retired Vietnam War admiral who was Ross Perot's 1992 running mate, describing the vice presidential debate that some said left him looking befuddled: It was like I was a college football player that somebody decided ought to go into boxing and a week later is in the ring with Joe Louis. I was playing catch-up all the way." (LAT)

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Economists See a Flawed Health Plan, but Hold Hope

By Peter Passell New York Times Service

NEW YORK - Is the Mitchell plan, the Senate Democratic leadership's compromise on health care reform, the last best hope for achieving universal health insurance?

Or is it a shell game, an exercise in deception that would waste tens of billions of dollars and discourage work

efforts by the poor? The answer, say health economists - some with resignation, some with.

disgust -- is both. "We're into camouflage," says Uwe Reinhardt of Princeton University, who nonetheless says he hopes Congress will seize the moment and pass the legislation.

Martin Feldstein of Harvard, who would much prefer to tinker at the edges of the current system than go for broke, says that "people ought to un-derstand what it's about and what it

In the early stages of the debate, the White House focused on what was ment of exploding costs. But as business interests began to assess the botness micresis began to assess the bot-modest new taxes.

would pay for broader coverage.

put much of the financial burden on just eight years from now.

employers — and thus indirectly on If that sounds too good to be true, their workers, where it already is. But Mr. Feldstein would be happy to seat

NEWS ANALYSIS

what had initially seemed to be the hidden in the fine print. path of least political resistance proved to be a mine field sown by President Ronald Reagan's Council of President Ronald Reagan's Council of small-business lobbies that wanted no part of an insurance mandate.

So the Senate majority leader, Maine, expanded on an alternative independently drafted by Democrats on the Senate Finance Committee. His the Senate Finance Committee. His compromise would free employers of than those offered in the bill's standard package, but their premiums provided that 10 cut of 20 America.

with a little help from Uncle Sam.
The bill, which is now being debated

tom line and Republicans pounded A tobacco levy would raise \$7 bil-away at their theme of no new taxes, lion in 2002, while taxes on insurance this back-of-the-envelope calculation. most eyes turned to the issue of who premiums would add \$21 billion -

you at the head of the class. The shuf-fle of cash needed to finance vastly extended coverage, he says, is largely

Economic Advisers, calculates that a big indirect tax is buried in the requirement that insurance companies as-George J. Mitchell, Democrat of sume part of the cost of services for poor people now covered by Medicaid.

provided that 19 out of 20 Americans would be the same; presumably, the received it as a fringe benefit from insurance companies would pass the employers or bought it themselves extra cost on to their entire pool of

then seen as the political imperative in the Senate, postpones the day of add \$30 billion to everyone else's pre-companies that did not provide insur- ate minority leader, Bob Dole, a Redriving health care reform: contain- reckoning on employer mandates until miums, much the way hospitals now ance as a fringe benefit to take maxi- publican from Kansas who is leading

"They're one person's made-up numsmall change on a national health care bers," he says, and they contradict the insurance affordable for the working The Clinton administration's bill budget expected to exceed \$1.9 trillion conclusions of the Office of Manage-poor and struggling middle class ut much of the financial burden on just eight years from now.

ment and Budget, a White House would be a powerful disincentive to

Transferring responsibilities for Medicaid to private businesses would generate substantial savings, he argues, perhaps even obviating the need for more burden-sharing by insurers' paying customers.

Mr. Reinhardt has little patience with this political dance. "One way or another," he says, "universal coverage requires a redistribution of \$80 billion from the top to the bottom." The real issue is how to accomplish the transfer with minimal side effects. And here Mr. Feldstein's criticisms ring truer to many economists.

For one thing, the subsidies offered to low-income workers would distort incentives to organize production efficiently. Businesses would "sort" work-Mr. Feldstein estimates that would ers, concentrating low-wage workers in that the approach favored by the Sen-

Mr. Mitchell is not impressed by income families not otherwise covered Arguably most distressing, the sliding scale of subsidies intended to make

> As low-income workers earn more, they gradually lose eligibility to gov-ernment benefits ranging from food stamps to income tax credits, a problem that is already widely blamed for keeping unskilled workers on welfare.

Yet, according to the Congressional Budget Office, the graduated withdrawal of the health insurance subsidies under the Mitchell plan would take 30 to 55 cents more from an extra dollar in wages.

"In the end," the budget office concludes, "some low-wage workers would keep as little as 15 cents of every additional dollar they carned."

These problems are not unique to the Mitchell draft.

Mr. Reinhardt is pointed, saying

A Vague Compromise Revives Crime Bill

By Ann Devroy and Kenneth J. Cooper

Washington Past Service WASHINGTON — Republican congressional leaders say that President Bill Clinton has pledged to consider "significant" changes in the crime bill

to assure its passage. But the White House said the changes would not fundamentally alter the legislation. Mr. Clinton met with the 11

Republicans, who last week had voted for the failed procedural rule to bring the anti-crime legislation to a final vote.

Also attending were the House minority whip, Newt Gingrich of Georgia, and Representative Henry J. Hyde of Illinois, Republicans who have ers after refusing to see them for accepted.

Las Angeles Times Service

Angeles County district attor-

C. Cowlings, sources said.

Re, Mr. Cowlings's lawyer.

Others familiar with the case

said prosecutors were seeking

information from witnesses

who may have information

about Mr. Cowlings's role in

Mr. Cowlings drove the vehi-

cle Mr. Simpson rode in during

a nationally televised freeway

chase. Prosecutors have yet to

the events of that day.

More Information Is Sought

On Role of Simpson's Friend

ney's office has issued subpoe- dence obtained in one grand

nas for witnesses who may have jury investigation to assist in information about the events the prosecution of a defendant

leading up to O.J. Simpson's who already has been ordered failure to surrender June 17 and to stand trial. That means evi-

about his subsequent disap- dence gathered by the Cowlings

pearance with a close friend, Al grand jury technically could not

Five or six subpoenas have been distributed, said Donald court Wednesday in the Simp-

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LOS ANGELES - The Los against Mr. Cowlings.

crime prevention programs that Republicans have said is intended purely for political gain.

But White House officials said the president had agreed only to consider compromises in the prevention spending.

his nonnegotiable commitment demanded major changes. to effective prevention programs," the White House chief of staff, Leon E. Panetta, said. The Tuesday session, Mr. Clinton's first with House lead-

decide whether to press charges

Prosecutors may not use evi-

be used against Mr. Simpson.

son case. A day earlier, they submitted questionnaires that

they wanted prospective jurors

to complete as part of what was

expected to be a difficult selec-

tion process, given the publicity surrounding the case.

not guilty to murdering his for-

mer wife Nicole Brown Simp-

son and her friend Ronald L.

Mr. Simpson, 47, has pleaded

cant cuts in the \$7 billion in shifting Wednesday toward passage of the crime bill, and Vice President Al Gore promised compromises aimed at win-"Today I think they took a ning Republican support, The wiser course," Mr. Gingrich Associated Press reported from Washington.]

But with prospects apparently improving that the House might pass a crime bill. Senate Republicans stepped up their "The president made clear criticism of the legislation and

Mr. Panetta said that the president would not accept any major change in the ban on assault weapons but that other, "very minor" changes would be

"We are consulting with members of both parties about possible minor modifications
— not radical," the speaker of
the House, Thomas S. Foley,
said. The Washington Democrat said consultations would take place in the next couple of days, which would allow for a vote by the end of the week.

Mr. Clinton also met with a freshman representative, Cleo

criticized the legislation. After four days, opened a new phase the meeting, both said that the president had agreed to signifi-10 caucus members who voted against the rule Thursday. They oppose the bill's expansion of the death penalty and lack of legislation regarding racial bias in death sentences.

The rule was rejected, 225 to 210. Ever since, the White House and Democratic leaders have been searching for ways to win over at least eight votes.

Advocates of the bill had hoped four days of lobbying by Mr. Clinton would persuade eight House members to change their votes without any alterations in the legislation. But Mr. Foley and administration officials lost hope Tuesday.

Most administration officials continued to suggest that Republicans offered the biggest hope for a White House victory.

A Republican congressional source said that the White House was "making some progress with Republicans because many were in tough situations and wanted to find a way to

Away From Politics

 The National Aeronautics and Space Administration resolved equipment problems and proceeded toward a Thursday launch of the space shuttle Endeavour on an Earthmonitoring mission. Forecasters gave an 80 percent chance of good weather for the scheduled 6:54 A.M. lift-off from Cape

• Money magazine has again named Jackson, Michigan, as the worst place to live in America, ahead of Flint, Michigan; Saginaw-Bay City-Midland, Michigan, and Rockford, Illinois. Heading the list of the "Best Places to Live in America," as ranked by the magazine's readers based on 43 criteria, were Raleigh-Durham, North Carolina: Rochester, Minnesota, and two metropolitan areas in Utah, Provo-Orem and Salt Lake City-Ogden.

• At least 18 people were burt in a tropical storm that tore through several southeastern states, unleashing heavy rain and tornadoes. Tropical Storm Beryl was the second this season, following last month's Tropical Storm Alberto, which was blamed for 31 deaths.

• More than 1,600 fire fighters from throughout California battled the state's worst wildfire of the season, an arsonsparked blaze in rural, hilly San Luis Obispo County that has claimed 18 houses. A small plane crashed tail-first into a house in Waynesboro,

Pennsylvania, killing four people and starting a fire that burned the house to the ground. The couple who lived in the the house died in the crash, along with two people aboard the twin-engine Cessna.

• A 5-month-old girl was shot to death in her family's apartment in the Bushwick section of Brooklyn, New York, the second infant in two days to be killed at home by gunfire in

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With Khmer Rouge, Officials, Too, Sniff Profit in Kidnapping

By William Branigin hington Past Service

KAMPOT, Cambodia - A hostage drama in this southern Cambodian province has spawned a cottage industry in which corrupt military and government officials are competing to profit from the plight of three young Western tourists held by Khmer Rouge guerrillas.

The brazen attempts of officials to extract money have jeopardized efforts to obtain the release of the three tourists and underscored the sort of social ills that led to the rise of the radical Communist guerrilla group in the 1970s, diplo-

Corrupt local officials are working closely with their Khmer Rouge archenemies to share the spoils from such criminal activities as train robberies, kidnapping and illegal logging, Cambodian and foreign officials said. International attention fo-

cused on the guerrilla group's involvement in kidnapping for ransom in March, when an American woman working for a private aid organization was abducted, and again on July 26, when the three tourists were taken after a train hijacking. The American was released in May, after negotiations with the Khmer Rouge commander in Kampot Province, in return for a truckload

backpackers from Australia, France and Britain are still being held in a fortified Khmer Rouge village for a ransom originally set at about \$138,000 worth of gold.

The Khmer Rouge, which defeated a corrupt U.S.backed administration in 1975 and ruled with extreme brutality until driven from power in 1979, set up a "provisional government" in an enclave

near the border with Thailand last month after it was formally outlawed by Cambodia's attache said. new Parliament. The group last week denied having anything to do with the kidnapping of foreigners for ransom. But on Monday the Khmer Rouge conceded that its forces were holding the three tourists and sought to attach a political motive to the affair. In a radio broadcast, the Khmer Rouge at least six groups of military said the three men in their late 20s would be freed only when their governments publicly pledged not to provide mili-tary aid to Phnom Penh. The

mention of a ransom. It is clear, however, that cash is the main factor motivating both the local Khmer Rouge kidnappers and officials portraying themselves as would-be negotiators or rescu-

group set a deadline of Aug. 30 for compliance and made no

Last week, diplomats at one

military intelligence chief, General Eng Hong, showed up with an offer to secure the hostages' release in return for a \$1 million payment.

The general had earlier of-fered to sell photos and letters from the hostages to Australian reporters for \$800.

The three Western embassies involved have agreed not to pay ransom to or negotiate or have any contacts with the Khmer Rouge, to avoid setting a "bad precedent," a military

But Reuters reported Tuesday that Prime Minister Prince Norodom Ranariddh of Cambodia had given \$150,000 to officials overseeing Phnom Penh's negotiations with the Khmer Rouge in order to se-Diplomats have identified

or government officials seeking to act as go-betweens in the province, which is still effec-tively controlled by the for-merly communist Cambodian People's Party, which lost last year's United Nations-supervised elections. The competing efforts to cash in have disrupted attempts by the central gov-ernment — a shaky coalition between the royalist Funcinpec party and the People's Party — to negotiate a ransom with the kidnappers and end the hostage situation, which has helped to sabotage the



Cambodian boys pushing government soldiers down a railroad near where the Khmer Rouge took tourists hostage.

country's tourism industry. In addition, an Information Ministry official has been trying to sell videotapes of Cambodian troops firing artillery and rockets into the Khmer Rouge

meters) from Phnom Penh, where the hostages are being

The three hostages have pleaded with the government a letter written by French hos-

they say is endangering their lives, diplomatic sources said, according to Reuters.

zone, about 90 miles (150 kilo- to halt military activity that

tage Jean-Michel Braquet, 28 from Nice, and signed by all three. The other two hostages are Mark Slater, 28, from Brit-sin and David Wilson, 29,

Russia's Huge Nuclear Industry in a Frightening State of Flux

By Steve Coll ton Post Service

VIENNA — International nuclear inspectors traveling through Ukraine and Kazakhstan in the last few months took an extended, up-close look at the management of sensitive nuclear materials in the former Soviet Union. Sometimes, they could hardly believe

In some civilian plants, they found bomb-sized caches of highly enriched uranium lying around in open-access storage rooms, according to people familiar with the visits. Sizable quantities of weapons-grade material more than would seem appropriate for pure scientific work - were held by ow-security civilian laboratories. In a few cases, inventory control seemed nearly nonexistent.

And in a sense, this was the good news: The inspectors were present because the governments of Ukraine and Kazakhstan have pledged to forswear nuclear weapons and restore order in their nuclear sectors, and have invited outside inspections to help account for their sensitive materials. In neighboring Russia, where the huge majority of problems in post-Soviet nuclear facili-

network is situated, nothing compara- nal and social problems that afflict evolving Russian federal system pro- curely transported and stored. ble is under way or likely soon.

Western fears about the decayed Western fears about the decayed which are beyond anyone's ability to state of nuclear controls in the former fix quickly. In addition, Russia also Soviet Union have been renewed in has specific problems in the field of recent days by the seizure in Germany nuclear management known to spe-

NEWS ANALYSIS

grade nuclear materials. Preliminary evidence suggests that although the materials probably did not come directly from Russian nuclear warheads, they do appear to have originated in Russian military nuclear facilities, according to officials familiar with the investigations.

Russia's military has a long and credible Cold War-era record in preventing nuclear proliferation. But as Western governments seek assurances and answers from Moscow about the latest smuggling cases, both sides may find they have limited tools to solve the smuggling problem, according to offi-

cials and nuclear specialists.

Partly that is because the control

many other institutions in Russia and mote an atmosphere of disarray, of three batches of smuggled weaponscialists as "physical protection."
Russia's administration of its nucle-

ar plants is in flux. In the Soviet era, when the secretive nuclear weapons network was known euphemistically as the Ministry for Medium Machine Building, a police unit from the Interior Ministry provided physical protec-tion of nuclear materials with support from the KGB, according to officials involved with the system.

Now the nuclear industry has been reorganized under a new ministry called Minatom. The Interior Ministry and the secret police agency have been split and reorganized, and the armed forces have a redefined role in a fledgling democracy. Even Russian officials involved with nuclear proliferation issues are not exactly sure who is supposed to do what in the physical pro-

ed. But the relative openness of the last pendent inspection of their military or three years has allowed outsiders to civilian nuclear facilities. glimpse a stunning landscape of weap-ons-related facilities where managers of nuclear bomb materials as if they were running Stalinist tractor fac-tories. Goaded by ambitious five year plans, they seem to have adopted "the more, the better" as a guiding princi-

International inspectors saw the legacy of this approach, and its recent collapse, during their tours of Kazakh- grams are under way to purchase exons-grade materials sometimes were

tection area these days. And where the terials. In theory, the treaty contains spections dedicated to nuclear safelines of authority are clear, rival minis- the rules and commitments needed to guards issues.

the former Soviet nuclear weapons' ties reflect the same economic, crimitries and police forces in the still-ensure that nuclear materials are se-

But in practice, the treaty has few teeth because the countries that have outside analysts say.

The full story of Soviet nuclear weapons production remains shroudweapons production remains shroudthe United States, will not permit inde-

Even before the recent smuggling cases, the need to strengthen and reafseem to have approached production firm the physical protection treaty was set to be discussed at the International Atomic Energy Agency's board of governors meeting in September.

Since the Soviet Union collapsed, the United States and its European allies have adopted a number of bilateral aid programs designed to plug these holes. Negotiations and prostan and Ukraine this summer. Weap- cess stocks of Soviet-made bomb materials, employ nuclear scientists and scattered in improbable locales, people rehabilitate the civilian nuclear energy familiar with the visits said. sector. But these schemes are some-Russia, the United States and many times entangled with sensitive, contenother countries have pledged to abide tious nuclear arms control negotiaby a 1980 international convention on tions. And, in any event, they do not the physical protection of nuclear ma- provide for independent, on-site in-

U.S. Condition For New Reactor In North Korea

SEOUL — President Bill Clinton said Wednesday that experts would have to inspect two undeclared nuclear sites in North Korea before the West could provide Pyongyang with a modern nuclear reactor, a South Korean spokesman said.

Mr. Clinton telephoned President Kim Young Sam of South Korea to discuss the agreement reached last week between the United States and North Korea. The accord outlined a possible resolution of the standoff over Pyongyang's suspected nuclear arms program.

"The two leaders agreed spe-cial inspection is needed before a light-water reactor can be provided to North Korea," Mr. Kim's spokesman said. At talks with the United States in Geneva, North Korta agreed to freeze its graphitemoderated nuclear program in return for a new light-water reactor system and afternative energy supplies until new reactors come on line.

Wins in Sri Lanka Alliance Pledges **Broad Changes**

Coalition

By Molly Moore

Washington Post Service NEW DELHI — Sri Lanka's governing party has been de-feated at the polls for the first time in 17 years, losing to an opposition coalition that accused the country's leaders of corruption and human rights vi-

With their economy ravaged by an 11-year-old civil war and nearly continuous political violence, Sri Lankan voters gave a slight edge to the People's Alli-

The opposition coalition won 105 of the 113 seats needed to control Parliament, and the ruling party claimed 94 seats.

President Dingiri Banda Wijetunga, who has sought to forge a ruling United National Party alliance with smaller groups to form a government, was expected to call off these attempts Thursday and ask Chandrika Bandaranaike Kumaratunga of the People's Alliance to form the government.
The election results are a blow not just to the United National Party but to President Wijetunga. The opposition has pledged to reduce his broad powers. He has had a difficult time holding his party together following the 1993 assassination of President Ranasinghe

In recent years, the small is-land nation has been the scene of brutal political crackdowns by the government against ingents. International human rights organizations have charged that the government has used death squads to kill thousands of innocent citizens in their searches for guerrillas.

At the same time, a violent civil war has raged on the northern end of the island, where the guerrillas of the Tamil Tigers are fighting for independence.

The Tigers are accused of dispatching the suicide bomber ssinated Mr. Premadasa during a parade just over a

The ruling government has refused to enter into negotia-tions with the Tigers to end the war, which has claimed an estimated 35,000 lives. The opposition party campaigned on a pledge to open negotiations.

An estimated 70 people died in pre-election shootings and bombings, prompting the ruling party to reimpose a police emergency on the country, which had been lifted for the

Carlos, 'No Squealer,' Won't Betray Backers, His Lawyer Says

Compiled by Our Staff From Dispatches PARIS - Although Carlos is well aware that he could spend the rest of his life in prison, he still believes he has a future and

will defend his exploits in court. his lawyer said Wednesday. The lawyer, Jacques Vergès,

spectacular every few months."

Middle Eastern links.

constantly in their community, not just pull off a

Ironically, the anonymity of Muslim terrorists

makes them harder to track, without impeding their reach. The bomb at the World Trade Center

in New York two years ago was apparently

carried out by ordinary-seeming Muslims with

The timing of the decision to hand over Car-

los, an American source said, may reflect new

confidence among Muslim extremists about their

capabilities. Recent bomb attacks on Jewish and

Israeli targets in Buenos Aires and London have

been blamed on Iranian-backed terrorists of the

For Sudan, a Palestinian source said, "hiding

Carlos, even if he did nothing, was drawing

attention liable to interfere with your real

sort trained in secret camps in Sudan.

said Carlos, who is expected to acts, would not betray the deby Western intelligence.

CARLOS: High Profiles Scorned by the New Assassins

Mr. Vergès, who met Carlos be tried in France for a 1982 at La Sante prison in central bomb attack and perhaps other Paris for the second time since he was seized in Sudan on Suntails of his contacts with ex- day and flown to France, said tremist groups and govern- he would press for his client's ments — details badly wanted release on the grounds that he had been kidnapped.

While asking to be removed from the U.S.

blacklist of terrorist states, Sudan emphasized

that handing over Carlos did not signal any

change in its anti-Western stance. Its policy

thrust, as defined by Hassan Tourabi, a radical

Muslim ideologue in Khartoum, is Islamic revo-

lution designed to sweep away false gods -including the Arab World's fascination with na-

Those banners were brandished by Carlos's

Palestine, and other Arab terrorists. Typically,

The front has condemned Sudan for "a cheap

action against an international struggler who

served liberation movements." But Carlos's old

companions in arms were virtually a lone voice.

tionalism and Marxism

Muslim domination.

"He is out of action for the moment, but he is in good spirits and not at all resigned to abandoning the future," Mr. Verges said outside the prison. Carlos, whose real name is

Illich Ramirez Sánchez, had been remanded in custody and placed under investigation for a 1982 car-bomb blast in Paris that killed one person. He had already been sentenced to life in prison in absentia by a French court for killing two French agents in 1975. Interior Minister Charles

Pasqua has said Carlos was responsible for 83 killings worldwide and at least 15 in France. Mr. Vergès said Carlos's line of defense at his trial, which is not expected to take place for months, would be to justify his struggle against Zionism and

generation, including his mentor. Georges Ha-bash of the Popular Front for the Liberation of "He will proudly defend his political and military struggle at most belonged to Christian minorities who his trial without going into de-tails," Mr. Vergès said. sought secular modernization as a bar against

"It is obvious that Carlos is not a small-time criminal," he continued. "If he acted - and you can contest the ideal - but it is out of political idealism."

"He is no squealer," he add- France gave Sudan intelligence would betray the governments and shadowy groups that had backed him for two decades.

As controversy grew over the way Carlos had been seized in Sudan, Mr. Vergès said his first step would be to declare the handover illegal despite France's claim that Carlos had been extradited. "He was not extradited, he

was kidnapped," Mr. Vergès said. "The extradition is null and this man must be released." France and Sudan deny any deal was struck. The only agreed-upon facts were that Carlos was captured Sunday in Sudan and then flown to France.

Carlos's lawyers say that he was betrayed by Sudan's im-poverished Muslim government in exchange for cash and possibly other benefits, and that he was drugged, bound and snatched from the country with little regard for the niceties of the law. That will be a central part of his defense.

Press reports have said that freedom.

ed, quashing speculation that the international guerrilla rebels in the south of the country and suggested that France may also want Sudan's help in dealing with Muslim funda-mentalists in the Algerian crisis.

Many Western governments, including France and the United States, say Sudan fosters terrorism. A militant Muslim junta seized power there in 1989. Any proof of a deal would be acutely embarrassing to Paris,

and both the French and Sudanese governments have denied there was a trade-off. But they have given few details of Car-The other lawyer defending

Carlos, Mourad Oussedik, said in a newspaper interview that he would file a suit for kidnap-

ping against the French coun-terintelligence agency.

Mr. Verges, who defended Klaus Barbie, the former Gestapo chief in Lyon, and Carlos's guerrilla girifriend, Magdalena Kopp, in the 1980s, admitted that "in the current lynching atmosphere" he had little

MARRY: Lonely Guys in China

worker whose governmentsponsored computer-dating service is swamped by eager men. "The girls are very happy with this service because they can set their standards very high for a prospective husband -intelligence, education, money - and then have a good chance of finding a man who meets their standards," she said with a grin that suggested there

was justice in all of this. "The men always ask for beautiful girls, and I tell them that they must be realistic," she said. "The goals they set must not be too high because there are not enough women."

Apart from having their pick of husbands, Chinese women may find another silver lining in the numbers churned out by the demographers.

In newly capitalist China, people are being reminded that in the free market, scarcity equals value. And so it could be for Chinese women after centuchance of securing Carlos's ries in which the supply of po-freedom. (AP. Reuters) tential brides equaled demand, and they could be - and were

monthlong campaign.

- treated as chartel. "I do think that to some extent this shortage of women will

= .

the same of

100 Car.

-

play a positive role in improving the status of all women," said Guo Daofu, an economist in the State Statistical Bureau "I think this will lead to changes in society. Men will have to become more open-

"There is a saying in the countryside that a man who marries a woman who is three years older has found a bar of gold — that he can benefit from her maturity," Mr. Guo said. "Now, I think many more men will act.'

"This discrepancy between the sexes is a matter of serious discussion among our govern-ment leaders," said Wang Wei, a professor of ethics at People's

University in Beijing. He pointed to abductions in which city women are seized and delivered to farmers des-.

perate for brides. "You could see more of

RWANDA: Fear Grips Tutsi as French Prepare to Go

have died in Rwanda's massacres, which began April 6 and lasted three months. Thousands are believed to have been killed in Cyangugu, in the stadium, in the churches, and in their homes as part of an orchestrated campaign by Hutu extremists to exterminate Rwanda's Tutsi population.

Nyarushishi camp was first set up in April, when the International Committee of the Red Cross helped an initial group of 3,000 Tutsi from the stadium to resettle here. The Tutsi were protected by local policemen, under the command of a pre-'ecf, a local government offi-

When France launched its Operation Turquoise rescue mission at the end of June, French troops took up the job of protecting the Tutsi, and thousands more were settled here, from the stadium and from other hiding places.

Even though the Tutsi-led Rwanda Patriotic Front won the war last month and estableave; this is the only area of the the militia will infiltrate from country still not under Patriotic Front control.

"The population wants the kill us again.

"The population wants the kill us again.

"We are afraid because the RPF to come here directly," said 29-year-old Dominique Dusengimana. "The RPF has

But for the moment, the plan is for the departing French troops to be replaced by a UN peacekeeping contingent, and for the zone to remain "demilitarized.

UN "blue helmets" from Ethiopia have been given the assignment to come here in the hills outside Cyangugu to protect the Tutsi from a resurgence of the killing. The hand-over is due this Sunday, with French troops scheduled to leave on

But so far, at least, few of the Tutsi here seem fully aware of the change. And those who have heard the news are not im-

"The French must be re-

lished a new government in the capital, Kigali, many of the strong, Mr. Munyankindi said. Tutsi here are too frightened to "If it's an African force, maybe Zaire, because the border won't be well guarded. And they will

militia is regrouping, and the ex-army in Zaire is reorganizing. They're regrouping to take power. We want a large force to

He added, speaking of the UN troops, "There's not a lot of confidence in them."

■ Ex-Soldiers Threaten UN Former soldiers of Rwanda's defeated Hutu army threatened UN relief staff with hand grenades at a refugee camp in eastern Zaire on Wednesday, de-

manding access to a food

warehouse, Reuters reported

The incident at Mugunga camp lasted for about an hour until the soldiers were persuaded to give up, Panos Moumtzis, spokesman for the UN High Commissioner for Refugees,

Pope Plans Bosnia Visit

VATICAN CITY — Pope John Paul II plans to visit the Bosnian capital, Sarajevo, on Sept. 8, the Vatican announced

Wednesday.

An official statement said preparations for the visit, which the Pope has long said he wanted to make, were going ahead despite continued uncertainty about security in the Bosnian capital.

The Vatican also announced that the Polishborn Pope would visit the Croatian capital, Zagreb, on Sept. 10 and 11. That trip, timed to coincide with the 900th anni-

versary of the foundation of the Archdiocese of Zagreb, is bound to be seen by predominantly Roman Catholic Croatia as setting the papal seal on its inde-

BIRTHS: Family Planning Backed

Continued from Page 1

to an end," it says. "Fundamental to this change in perception is women's growing command of the means to manage their own fertility." According to the report, to-

billion is growing by 94 million people each year, the highest increase in history, even though the rate of increase has slowed in many parts of the world. Africa, the poorest continent, is growing by 2.9 percent a year, the fastest rate of any region.

day's world population of 7.6

Asia still is the most populous region, with 60 percent of the total, but since 1950 Africa has beaten out Europe for second place and will have one-fifth of the world's population by 2015. The United Nations projects

as much as 2.2 billion fewer people by 2050, equivalent to the earth's entire population in

could reduce the growth rate enough to make a difference of

place in the last decade in thinking about population con-trol. It chastises traditional population groups and governments that work from quotas for distributing contraceptives, saying their programs are doomed to failure."

Instead, it asserts, it is crucial to improve the overall status of women by promoting their education and providing a range of health services, including but not limited to family planning. Studies have shown that women who have basic health care and the option of controlling their births choose to have smaller families, the report says.

"Women have been and still are disregarded for everything they do apart from having children, preferably boys," said Nafis Sadik, the executive dithat family-planning efforts rector of the UN group and secretary-general of the Cairo conference, at a news conference Wednesday in London. "If we had paid more attention to empowering women 30 years ago we might not have to battle How to do it? The report re- so hard for sustainable developflects an upheaval that took ment today," she said.

OUIT: Clinton Ally Leaves Treasury

recall having given her that direction.

She was rebuked for not immediately correcting Mr. Altman's testimony about White House contacts with Treasury officials, which later proved to be incomplete.

Republicans have accused Mr. Altman of giving confidential information about the Whitewater investigation to White House aides in February. single contact on Whitewater, but later information showed there had been at least 40.

Testifying this month, Mr. Altman said he regretted that his original statement "may appear too narrow or perhaps incomplete.

Mr. Altman was one of the first administration officials to get involved in the Whitewater affair. As acting head of the Resolution Trust Corp., which was investigating a failed Arkansas savings and loan with ties to the Chintons, he faxed some newspaper articles on the

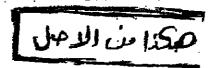
matter to Bernard M. Nuss-baum, at that time the White

House counsel. Mr. Altman told Congress he did not recall sending the fax, and Mr. Nussbaum said he did not recall receiving it. Congressional investigators recovered it from White House files, and Republicans suggested that it indicated that the White House knew of the investigation earlier than it has claimed.

Mr. Altman removed himself He originally acknowledged a from the Whitewater investigation only after being pressed by Mr. Nussbaum not to do so. Critics contended that the White House wanted to keep a political supporter in charge of the investigation.

Mr. Nussbaum, another old Clinton friend, resigned under

pressure this spring
Mr. Altman told lawmakers that he was not aware of most of the contacts between the White House and the Treasury Department and had forgotten about others. He apologized in writing to the president about the way he handled the matter.



Some Pull at Mexico's Polls Ruling Party Has a Heavy Hand to Exercise

By Tod Robberson Washington Post Service

tierrez drives the streets of the his reputation on ensuring that Mexican capital with two big banners on his passenger bus proclaiming Ernesto Zedillo Ponce de León as the only presidential candidate who can guarantee continued prosperity for Mexico.

It is not necessarily because he wants the candidate of the governing Institutional Revolutionary Party to win, Mr. Gotierrez says, but because party officials threatened to withhold special government permits if he refused to display the free

Isaias Mendez, a rural dweller, says he is worried that his application for a government farm loan will be denied if Mr. Zedillo loses or if he votes for any other candidate. He knows his ballot will be confidential, but he says that when he applied for his loan he was forced to submit a copy of his voter's credentials to a union controlled by the party, which is known as the PRI.

"The PRI is the government," Mr. Mendez said. "They have ways of tracing these

Although incumbents frequently enjoy an advantage at election time, few political parties come close to matching the financial and logistical resources available to the PRI as has been clear in the cam-

paigning for Sunday's elections. Mexicans say that after 65 years of PRI presidents, old voting habits die hard. But in case voters are thinking of breaking with the party this year, officials are using threats. pressure and bribery to keep

Such tactics have posed a di-lemma for President Carlos Sa-the party and the government. MEXICO CITY - Luis Gu- linas de Gortari, who has staked these elections are the cleanest

in Mexican history. openly for Mr. Zedillo, Mr. Salinas argues that he is the one most likely to carry on Mr. Salinas's far-reaching program and to ensure that Mexico continues its business-friendly trade prac-

But Mr. Zedillo's candidacy was slow to attract voters, ac-

The PRI is the government. They have ways of tracing these things.

fears for his farm loan.

cording to opinion polls, forcing the party to switch strate-

Opposition parties complain that highly touted revisions of electoral rules, engineered by Mr. Salinas earlier this year, have done little to rein in the ruling party. In fact, they con-tend, Mr. Salinas has worked behind the scenes to ensure that the PRI maintains its lopsided advantage over the competi-

In March of last year, the Mexican president summoned 30 of Mexico's wealthiest businessmen to a dinner at which he prodded them to make dona-

the party and the government. When news of the dinner was leaked to the press, most

pledges of donations dissipated. Since then, Mr. Salinas has While he has not campaigned looked the other way as Mexico's biggest corporations donated office space, executive jets. free advertising space and other favors to Mr. Zedillo's cam-

Mr. Zedillo's popular prede-cessor as the PRI's presidential candidate, Luis Donaldo Colosio Murrieta, piedged repeatedly before he was assassinated March 23 that he would not accept any such corporate donations and would strictly limit his campaign expenditures. In-stead of using private jets, he chose to travel by commercial

airliner or by bus. But PRI officials say Mr. Zedillo was forced to abandon Mr. Colosio's program because of the disadvantages he faced in entering the campaign late, following the assassination. Mr. Zedillo also lacked Mr. Colosio's charisma and national stature, officials said.

The opposition Democratic Revolutionary Party formally charged last week that 11 PRI governors had used their state offices to promote the candidacies of Mr. Zedillo and party members seeking legislative

National Action also has filed a formal complaint against Foreign Minister Manuel Tello Macias, charging that he is using Mexican embassies and consulates worldwide to promote the PRI.

Senior officials of the governtions averaging \$25 million ment and ruling party argue apiece to help the party attain that separating the two entities after 65 years of union is a diffithe government. This was ac- cult and slow process.



There are signs that the deck is stacked in favor of the incumbents in Mexico's elections.

UN Envoy to Deliver A Warning to Haiti

By Daniel Williams Washington Post Service

WASHINGTON - The UN hausted peaceful options. secretary-general, Butros Butros Ghali, will soon delegate an favors Dante Caputo, a former envoy to warn Haiti's military foreign minister of Argentina. rulers to step down or face an American invasion, officials said here.

The envoy will not engage in negotiations with the army officers, nor will he deliver a deadline for them to leave power, U.S. officials said.

The United Nations Security Council has approved a resolution authorizing an invasion of the island if necessary to restore exiled President Jean-Bertrand Aristide to power.

"It is my intention to send a vince the military people to implement" the UN resolution peacefully, so that we may avoid military intervention. Mr. Butros Ghali said during a Trials of Abortion Pill visit to Canada.

An invasion, if mounted, could come as early as mid-September, U.S. officials say. The UN resolution calls for the action to be undertaken by an international force, but U.S. officials acknowledge an invasion would be staged almost exclusively by U.S. troops.

The UN, analysts say, is cautions about endorsing invasions lier this month, were to help the designed not to crush a threat to government decide whether the world peace but to rearrange a pill should be marketed in Auscountry's internal politics. tralia.

Sending a message of warning permits the UN to say it ex-

For the job, Mr. Butros Ghali

■ Caribbean Force Readied

Prime Minister P. J. Patterson of Jamaica says a group of Caribbean countries is preparing to send 300 soldiers to paripate in a peacekeeping force in Haiti once democracy is restored there, the Associated Press reported from Kingston. He did not say which of the

13 member states of the Caribbean Community were set to send troops. Jamaica, Guyana. and Trinidad and Tobago have mission to Haiti to try to con- previously said they would participate in a force to restore order after an invasion.

Suspended in Australia

The Associated Press

CANBERRA - Doctors suspended trials of the abortion pill RU-486 Wednesday after the government said women taking part might not have been properly informed of possible side effects.

The trials, which started ear-

Henry Geldzahler, New York Curator and Modern Art Backer, Is Dead at 59

New York Times Service

NEW YORK - Henry Geldzahler, 59, the curator, critic and public official whose enthusiastic advocacy of con-temporary art made his name synonymous with the art scene in New York for three decades. died Tuesday at his home in Southampton, New York. The cause of death was cancer, said Kay Bearman, a longtime

tivist, Mr. Geldzahler seemed, for most of the period from the zahler "the most powerful and he held for five years.

1960s through the 1980s, to be controversial art curator alive." at the nexus of art and public In 1966 he served as the IIS.

ause of death was cancer, said a highly personal selection of 408 works by 43 artists that thrust the Met into the swirling currents of modern art and led one journalist to call Mr. Geld-

He began his caréer as a curator of American art at the Metropolitan Museum of Art. At the age of 33 he put together the museum's sweeping centennial exhibition, "New York Paint-ing and Sculpture: 1940-1970,"

In 1966, he served as the U.S. commissioner to the Venice Riennale, for which he selected the American artists to be exhibited, and that same year he took a leave of absence from the Met to become the first director of the visual-arts program of the National Endowment for the Arts.

In 1977, he was appointed by Mayor Edward I. Koch to be the commissioner of cultural affairs for New York City, a post

An omnipresent figure on the social scene, he was a close friend of many artists, and his rotund, bearded figure made him a favorite subject of their work. Mr. Geldzahler was nearly as well known for a celebrated portrait of him and his friend Christopher Scott, painted in 1969 by David Hockney, as for

Pop artists like Andy Warhol, Roy Lichtenstein, James Rosenquist and Claes Oldenburg were the first beneficiaries of Mr. Geldzahler's evangelism.

any of his accomplishments.

Billy Wilson, 59, the director and choreographer of "Bubbling Brown Sugar" and other Broadway musicals, died Sunday at St. Vincent's Hospital in Manhattan. The cause was AIDS, said his daughter. Alexis

Jerome Minskoff, 78, a New York real-estate developer, theater owner, and Broadway producer, died Saturday in London of a heart attack, said his son,

Leonard Goldsworthy, 85. a

retired lieutenant commander and Australia's most decorated World War II naval officer, has died, the navy said Wednesday. He died Aug. 7, the navy said, but did not give the cause.

Paul Anderson, 61, once recognized as the strongest man in the world, died Monday at a Vidalia, Georgia, hospital after a long struggle with kidney fail-ure and arthritis. Mr. Anderson set nine world records and 18 American records in weightlifting in the 1950s.

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Black Market Plutonium

smuggled plutonium turning up in Germany is ominous all out of proportion to the and elsewhere in the Middle East. small amounts involved. The shipments have the aspect of salesmen's samples just enough to show buvers that the smugglers have pipelines to the real stuff. There is an unpleasant implication that the recently seized material may have been intended to set up larger deliveries. The only conceivable purpose of black market plutonium is to make nuclear weapons.

The German authorities announced on Tuesday that they had confiscated two grams of weapons-grade plutonium from a suspect in Bremen — the fourth case of this kind in three months. The largest amount seized was the 300 grams of plutonium that arrived in a lead-lined suitcase on a plane from Moscow to Munich. Before that, police arrested six smugglers with a gram of highly enriched uranium. Before that, they found five grams of plu-

tonium in a garage near the Swiss border. One question is why all these discoveries have been in Germany. Perhaps it is because these new trade routes involve former East German secret police. But it is also possible that highly radioactive materials are moving in all directions, and it is: only that the German authorities are more effective than others in intercepting them.

Like a leak in a dike, the trickle of You have to wonder whether similar shipments may be moving southward to Iran

> Russia denies that it is the source of this radioactive contraband, but chemical analysis in Germany strongly suggests otherwise. The Russian military continues to assert that it has reliable control over its nuclear weapons, and fortunately there is no evidence to the contrary. But the rest of the former Soviet Union's nuclear complex is an altogether different matter the gigantic system of plants and laboratones producing and enriching nuclear ma-terials. Inflation has diminished salaries there to pittances. Morale is low in these plants, and discipline is sagging.
> Germany's Chancellor Helmut Kohl

says he will send an envoy to Moscow to discuss the situation. The United States has been offering financial help. But not much of that money has actually been spent because of the chaos in Russia, and now the congressional appropriations committees are unwisely cutting back the amounts available. There is an increasingly urgent case for a much more muscular (and expensive) international effort to ensure the security of Russia's plutonium and enriched uranium — if the Russians can be persuaded to accept it.

- THE WASHINGTON POST.

By John W. Kiser 3d and John Hines

WASHINGTON — News item: Tiny Estonia is now the fourth largest exporter of copper in the world. Estonia has no copper mines. Nor does its trade balance show copper as a significant import.

What do copper statistics have to do with loose nuclear warheads? A lot, if you consider recent seizures of weapons-grade material in Germany.

While attention has been riveted on two-to-five small, "probable" nukes in North Korea, the United States and the rest of the world have fallen into a deep snooze on the formidable threat posed by more than 30,000 known warheads lying about in Russia and Ukraine. Not to mention as much as 1,500 tons of weapons-grade nuclear material.

Only two years ago there was much hand-wringing about the security threat posed by thou-sands of Russian warheads whose security and control were a matter of international concern Scientists and bomb builders had to be quickly employed in peaceful pursuits. This resulted in a rush to fund the International Science and Technology Center in Moscow in order to employ the Russian weapons-of-mass-destruction crowd. Two years later, virtually no money has been spent.

Granted, the Russian Parlia- loaded "officially" onto ships.

ment had some reservations. But the U.S. concern was there. Where is it today? Was the problem solved? Did it go away? Or does it just seem too hopeless and too hard to engage seriously? One senses, in fact, a state of

denial, or perhaps wishful thinking. U.S. security specialists must tiptoe gently around the topic. The status and security of all those Russian warheads, nuclear materials and bomb designers have been a very unwelcome question in Washington for sever-al months. Why? Because the problem is very big, very complicated and growing. And possibly expensive to solve.

The Estonian copper statistics help to explain why. The borders of all the Baltic countries are as porous as sieves. Not only cop-per but steel, nickel, aluminum, chromium — you name it have been streaming through a network of uncontrolled side roads, often glorified cow paths, away from border checkpoints.

These unofficial crossings are "overlooked" by authorities; it is good business for all the Baltic countries with major ports. The incoming contraband traffic results in huge port fees when

The Russian underworld octopus is emerging as an all-purpose

threat to worry about. One that includes nuclear proliferation. Because of the increasingly virulent criminal element's broad embrace, Russian mafiosi are able to bury nuclear-materials brokering in a melange of drug trafficking, gang-ster networking and general political corruption activities.

But if copper is being driven through Estonian borders at a rate that has catapulted that littlenation to the No. 4 exporter of the metal in the world, what is to stop warheads and nuclear materials from making the same passage? Little, other than the possibility that the "entrepreneurs" still think they have better ways to make money. Others might even have patriotic scruples.

But is it happening now? Most probably yes — in Estonia or somewhere else. Will it happen? Most definitely yes.

The reason is simple. The market principle of supply and de-mand creates irresistible pressures. Owning nuclear weapons makes people feel important, commands "respect" and authority, and makes small countries major international players. One cannot pretend to profound in-sight in observing that a Russian nuclear security specialist earning perhaps \$50 a month could be bought for, say, \$10,000 - which is popcorn money for the players

in this game.
All that is needed is opportunity, which can also be bought in an increasingly corrupt system. With border controls gone, national pride trashed and an everybodyfor-himself atmosphere, the witches' brew of proliferation is

in place — not someday, but now. One response should be to focus on the real problem. The problem is not four to five warbeads in North Korea. Intentional or not, focusing on the North Korea is a dangerous diversion of attention from the 8,000-pound nuclear gorilla next door whose nukes are as loose as aging teeth and can be pulled as easily.

A year ago, 80 Russian nuclear scientists and ballistics experts were apprehended by Russian authorities at Moscow's Sheremetyevo airport. They were on their way to North Korea. The scientists were prevented from leaving, but not punished. How many have not been apprehended?

In late December, almost 800 pounds of reportedly weaponsgrade contraband (probably Russian) uranium was confiscated in

Wake Up Right Away to a Monumental Nuclear Threat the Black Sea port of Odessa, Ukraine, by security police. Twenty pounds can make a bomb. This shipment was intercepted. How many are getting through? The "leaking" seems to be under way and there is no reason to believe

the leaks will not build into a flow. As a government concerned with health care, the current U.S. administration should appreciate that prevention is far cheaper and

safer than heroic therapy.

The consequences of today's neglect of serious preventive measures may not emerge to terrorize citizens for five or six years.
When it does, the cost of prevention now will seem trivial compared with that of dealing with

a nuclear-infested world later. In what may become a disturbingly familiar scene, the eyes of the world will be fixed in fear on the blackmailing antics of some deranged little tyrant with The Paris

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a big bomb. His every snarl and obscene false promise will be covered by intense journalists who speculate ad nauseam about doomsday scenarios and the feasibility and risks of the few military options remaining to America. The U.S. military will take heroic risks and Washington will spare no expense to stop the nuclear devil

of the moment How does one deal with the ugly prospect of 30,000 warheads and 1.500 tons of uranium up for sale, and thousands of out-of-work nuclear weapons specialists driven to peddle their skills in the back alleys of the global marketplace?

There is no easy answer, but recognizing the problem and the organcy of developing an effective joint approach is a start.

Engaging in creative ways the Russian and Ukrainian governments, as well, perhaps, as with selected "entrepreneurs," is essential. For only a quiet and committed dialogue on a common problem, a dialogue that respects sovereignty and pride of countries concerned, will offer any promise of success.

Mr. Kiser is chairman of the William and Mary Greve Foundation and has been a supporter of the Arms Control Association, formerly headed by the late Gerard Smith, in whose memory this article was written; he is president of Kiser Research Inc., which transfers advanced Russian commercial technology to the West. Mr. Hines is director of the Phoenix Institute, which studies issues related to the stability and development of the emerging independent states of Eurasia. They contributed this comment to the International Herald Tribune.

Carlos Over the Hill

Woodstock Revisited

The great wave of terrorism that swept Europe in the 1970s was essentially secular, pro-Marxist or pro-Palestinian; the religious terrorism associated with Ayatollah Ruhollah Khomeini and others came later. Illich Ramirez Sanchez, better known as Carlos the Jackal, was the movement's fearsome embodiment, a cold-eyed zealot blamed for the death of 83 people. But now that he has finally been apprehended in Sudan, the world's most wanted terrorist turns out to be smaller than life, figuratively the shadow of his old self. He appears to have been discarded by his former Arab patrons, and with the collapse of communism he seems to have had no place to run. In further insult to his reputation as arch-terrorist, authorities now dismiss as an exaggeration the widespread report that he played a major role in the 1972 slaughter of Israeli athletes at the Munich Olympics.

His capture is a real victory for the democratic societies that his movement sought to demoralize. Americans, Europeans, Israelis and moderate Arabs became targets in a terror campaign waged by a clandestine network that bijacked planes, kidnapped hostages and bombed airports and rail terminals. That campaign was blunted by good police work and global cooperation, enabling governments to contend with greater confidence against more recent terrorist movements inspired by religious or ethnic fanaticism.

With Carlos in the dock, it may finally be possible to determine the truth about tales of his prowess. Carlos at large would

By virtue of its enormous size - and

its enormous buying power — the Wood-

stock Generation (also known as the

Baby Boomers) altered the cultural fabric

as none before it. Makers of cars, clothing

and movies traffic in its nostalgia, hoping

to hit the fat and sassy target group squarely in the wallet. Nowhere is the tilt

more evident than in rock music, the

generation's signature art form. Once,

pop music tunes came and went in a

matter of weeks or months. These days

you can make several stops along the

radio dial and hear "classic rock" tunes,

many of them more than a quarter of a

century old. The casual listener might

conclude that rock is no more - or at

least that time stopped back in 1969,

Americans who grew up in the '60s had

little in common musically with mom and

dad. But today's twenty-somethings have

grown up rocking to the same beat as their

parents, and have thus been obsessed with

the era that spawned the music and the

The photographs of mud-covered con-

certgoers at last weekend's Woodstock '94

in rural Saugerties, New York, were al-

most identical to those from the storm-

drenched concert of 25 years ago. As if the

mud weren't déjà vu enough, Joe Cocker

reprised his twitching rendition of "With a Little Help From My Friends," and Cros-

by, Stills and Nash (minus Neil Young)

exhumed "Woodstock" — a song about

the original concert. There were other old

Woodstock alumni like the Band, Roger

McGuinn of the Byrds and - shades of

didn't completely carry the day; the

twenty-somethings had their say. The for-

Thankfully, graybeards and nostalgia

old, old days — Hot Tuna.

concert event that defined it.

during the summer of Woodstock I.

have forever remained a myth: the Venezuelan-born guerrilla who did indeed abduct 11 ministers attending an OPEC meeting in Vienna in 1975, the master of disguises who eluded capture as a wanted murderer in France and elsewhere, the clandestine conspirator who worked variously with Germany's Baader-Meinhof gang and Palestinian groups based in Damascus or Tripoli.

Carlos would have served his cause better as a bullet-riddled corpse found after a climactic shootout. Instead, as a revolu-tionary who saw himself as the agent of history, he was ironically undone by the forces of history; the demise of the Soviet empire and Saddam Hussein's defeat provided an opening for peace between Israelis and Palestinians, rendering Carlos irrelevant. Moreover, since it could no longer count on Soviet help, Syria sought to be removed from the U.S. list of terrorist states, as did Sudan, the country that

turned Carlos over to French authorities. In Damascus, after a decade of inactivity, Carlos surely became an expendable embarrassment. Sudan's radical Islamic regime may have wanted to earn points with Europe and America by sacrificing him. As long as Washington struck no deals, and France offered no ransom, there was nothing inherently wrong with an attempt by Syria and Sudan to improve their reputations as responsible states. Carlos's arrest is further evidence that the wind has changed in the Middle East, shifting against the likes of the Jackal.

- THE NEW YORK TIMES.

Mexico's Ruling Party Would Do Better to Lose

LONDON — I was living in Mexico when I first heard this story. The Mexican cabinet was meeting to decide what to do about the country's failing economy, and the finance minister came up with a bright idea: "Let's declare war on the United States. Look at Japan and Germany. They declared war and killed lots of gringos. And when they lost, the United States rebuilt their countries."

"Yes," said the Mexican president, "but what if we won?"

That is now the question for Mexico's ruling party. Despite its impressive steps to ensure a fair election on Sunday, most! Mexicans believe that by hook or crook the Institutional Revolutionary Party will extend its 65-year hold on the presidency. But a PRI victory would be a recipe for violence and instability. For the Americans, the stakes are enor-

mous. The U.S. Congress would almost certainly revoke the North American Free Trade Agreement. Trade with Mexico is already large and destined to become larger once NAFTA is fully implemented. U.S. exports to Mexico increased to \$11.8 billion during the first quarter of this year. By year's end, NAFTA will have pushed Mexico past Japan as the No. 2 trading

By Stanley A. Weiss

partner of the United States after Canada. Mexico is also a leading exporter of humans, and the United States its leading client. Governor Pete Wilson of California has declared the state to be "under siege" by illegal aliens; the cost to taxpayers is said to be \$3 billion a year in California alone.

Despite a general amnesty in 1986, Texas now has more than 550,000 illegals; chain link fences already exist at most crossings between border cities, with a proposal for a new metal wall in El Paso.

The 6,000 people who have joined the peasant rebels in Chiapas for Mexico's version of Woodstock are predicting civil war if the election is stolen. That may be hyperbole, but it is worth noting that during the Mexican revolution and civil wars between 1910 and 1922 more than 10 percent of the population of 13 million fled to the United, States. Now, with a population of 85 million, imagine the level of militarization necessary to control a similar flood of refugees streaming across the Rio Grande.

And then there is the drug traffic. As much as \$60 billion in drug money is laundered along the border each year. More than

70 percent of the marijuana and cocaine imported into the United States comes through Mexico. Political turmoil there would increase illegal drug activity and exact an enormous economic and social toll on every community in the United States.

For once, there are viable alternatives to the PRI's handpicked choice for president, Ernesto Zedillo. The candidate of the center-right National Action Party (PAN), Diego Fernández, is a state senator and highly regarded lawyer. Cuanhtemoc Cardenas, candidate of the leftist Party of the Democratic Revolution (PRD), is also very much in what has become a three-way race.

To ensure peace and prosperity, the PRI should pull off one more dubious election to make sure it loses. Only then will Mexicans believe the voting results. The United States and Mexico, along with Canada; could then return to the business of promoting joint economic growth and creating the world's largest unified market.

The writer, who lived and worked in Mexico for more than 20 years, is chairman of American Premier Inc. and chairman of Business Executives for National Security, a U.S. organization of business leaders. He contributed this comment to the International Herald Tribune.

Interest Rates: It Looks Like the Lull Before a Mighty Storm

T OKYO — By raising interest rates by half a percentage point, the Federal Reserve seems to have lulled financial and political centers in both Japan and the United States into believing that no further increases will be needed at least until late this year. By autumn, however, a very different situation will emerge to trouble

the dancing rougher, but so are the times. In the end, the 300,000 young peo-In Tokyo, an unquestioning ple who slogged through Woodstock '94 got what they came for: the re-enactment of a ritual whose mythology they were raised on; the grueling endurance contest with nature, and the bragging rights that come along with having survived it. - THE NEW YORK TIMES.

ty-something viewer learned some new band names: Blind Melon, the Violent Femmes, Nine Inch Nails. In addition, the viewer learned the verb "to mosh," which stock and bond markets, foreign means to dance in large groups, colliding with each other and passing one another around on raised hands. exchanges and trans-Pacific relations. By then it will be clear that The music is darker than at Woodstock today's mid-summer quiet was but the calm before a mighty storm.

> consensus is based on the view that Japan's trade surplus has peaked and is on its way down, while the economy is on its way up. Although Japanese interest rates bottomed toward the end of 1993, the sharp climb that has occurred in the interval is widely

NEW YORK — Quietly but persistently, AIDS has

evolved into something quite

different from the horrifying,

untreatable illness of the early

1980s. It is still a killer, but

medical science has made major

life-sustaining gains against AIDS-related infections.

Unfortunately, the U.S. gov-

ernment has largely ignored

these successes. So have the me-

dia Almost every report from

last week's international AIDS

conference in Yokohama com-

municated despair rather than

possibility. They should start

emphasizing the triumphs of

science, because the well-being

of thousands of people with

A good start would be to stop

In 1981, before the syndrome

AIDS even had a name, patients

contracted mysterious, exotic

conditions like Pneumocystis

carinii pneumonia and Myco-

HIV is at stake.

using the term "AIDS."

By Kenneth S. Courtis An unnatural and uneasy alli- anced and so, paradoxically, a interest rates this year. This has

ance between the Socialist left stronger administration. and the Liberal Democratic right appears to have put Japan on course for a period of political stability. It does not seem to matter that the government has little vision or cohesion. Across the Pacific. Washington

and Wall Street alike chatter about the new fundamentals. The U.S. economy is strong and grow-ing, deficits are declining, investment is up and America is getting back to work. In this view, neither the dollar's weakness nor inflation's recent strength are justifi-

able, and so they will not last. Rather than being cause for concern, the shrinking base of po-litical support for President Bill Clinton is seen as leading not to bitter gridlock but to a more bal-

Tell All the News About HIV Disease

However, economies are growing again in Europe and Japan. There is robust growth throughout East Asia and continuing expansion in North America. The long-term savings rates of all industrialized nations, except Ja-pan, are declining, while debt levels are rising everywhere. As a result, interest rates are set to climb - and much higher than is yet widely realized.

The process has already started. The Reserve Bank of Australia raised interest rates by threequarters of a point on Wednes-day, for the first time in five years. That followed the move by the Federal Reserve and recent increases by several European countries. Nations with the high-

est levels of foreign debt have experienced the sharpest rise in occurred even in conditions of continuing deflation, as the painful experience of Canadian markets in the past six months shows. As economic momentum builds

in Europe and Japan, pressure on interest rates will intensify, especially for high-deficit economies. Such countries will then face the choice of allowing their currencies to fall or interest rates to rise further. Neither markets nor governments appear prepared for these developments.

With interest rates rising around the world, global markets are set to become more dependent than before on funds from Japan, the major source of surplus capital for the international economy. Particularly important will be the smooth recycling of Japan's external surpluses. Policy decisions made in Tokyo likely will take on an international importance for which Japan's government and politicians are large-

ly unprepared. The outlook on the trade front is equally problematic. More than a year of negotiations between Japan and the United States to increase America's access to the Japanese market and reduce its trade deficit have produced little in the way of concrete results. The clock is ticking on a deadline at the end of September for the imposition of U.S. sanctions against Japan's public-sector procurement practices.

With the two sides locked into opposite positions, and govern-ments in Tokyo and Washington seemingly too weak to change course quickly enough, it is increasingly likely that the end of September will see a major commercial clash across the Pacific

Markets would interpret such a confrontation to mean that the United States was left with no option but to exact from the currency market what it was unable to get at the negotiating table, by forcing the yen higher to make Japanese exports more expensive and American imports into Japan cheaper.

This would quickly hit global financial markets, sending interest rates, currency and equity markets into wild gyrations. With international markets already on the defensive, these new tremors would cause serious damage.

Policymakers in Japan and the West should recognize the potential gravity of the situation and act accordingly. They should show determined leadership to steer the international economy away from the jagged shoals to which it is now

so dangerously close. Tokyo and Washington have a joint responsibility and the means to steer a different course by coming to an early and substantial agreement on trade, policy coor-dination, currency and the structural reform that each of their economies preently needs. The question that is about to haunt markets is whether they have the will and vision to do so.

The writer is strategist and senior economist for the Deutsche Bank group in Tokyo. He contributed this comment to the Inter-

national Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1894: Berlin Anarchists

BERLIN - Important discoveries have been made by the police in connection with the arrest of the Anarchists who, it will be remembered, fired at those attempting to arrest them. The lodgings of the men were searched and bombs were discovered. A still more noteworthy discovery was made at the residence of a mechanic in Langenstrasse. Here documents were seized evidencing that the Berlin Anarchists were carrying on correspondence with Anarchists living in France and disclosing the links in a conspiracy of a dangerous character.

1919: Great War Poets

PARIS — [The Herald says in an editorial:] Quite recently a literary magazine asked with some ingenuousness: Will the war produce a great poet? The question

itself seems to betray a little unfamiliarity with contemporaneous poetry; and also a misconception of the effect of a world-tragedy on the poetic faculty. Certainly, it would be impossible for the sensitive nature of a poet not to be stirred by a vast upheaval such as "the great war."

1944: At German Border LONDON - [From our New

York edition: Russian troops for the first time in thirty years, brought war forcefully to the German homeland yesterday [Aug. 17] in a surge that put the Red Army onto the East Prussian. frontier along the Szeszuppe River in western Lithuania. This historic honor fell to the 3d White Russian Army troops commanded by General Ivan D. Cherniakhovsky, thirty-seven-year-old Jewish tank expert and the yourgest full general in the Red Army.

Other Comment

Losing Hong Kong's Voices

One reason the British managed to

rule Hong Kong as successfully as they have is that at least they sought to cultivate public opinion rather than strangle it; within such a system honest and au-tonomous voices have given invaluable airing to public grievances.

Beijing, alas, has taken the opposite

tack, judging from its Long March through any Hong Kong institution that looks like it might make even the slightest show of independence, from the Legislative Council to the General Chamber of Commerce. With every passing year, the Hong Kong that China stands to inherit has fewer such voices raised on behalf of its freedoms.

- Far Eastern Economic Review

(Hong Kong).



International Herald Tribune ESTABLISHED 1887 KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

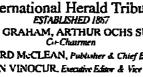
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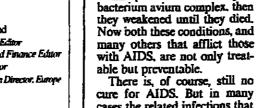
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Directeur Adjoise de la Publication: Katharine P. Darrow





cure for AIDS. But in many cases the related infections that actually kill people can be stopped through antibiotics.
I know. I developed HIV-related pneumonia 22 months ago and I have recovered completely

- well enough to jog two miles

without stopping. A decade ago I probably would not have sur-

vived for more than a few weeks.

By Tom Stoddard

In those days, this pneumonia accounted for most deaths caused by the virus in the United States. Today that number has plunged to less than 3 percent. These heartening medical advances, however, cannot assure

that people will no longer die from preventable infections. In order to avoid acute illness, those infected with the virus must know that they have it, be able - and encouraged - to find doctors who specialize in their disease, see those doctors

frequently and get medication. Yet many — perhaps most — people with HIV do not know there is any hope. They make no effort because no one has made a concerted effort to tell them the news that treatments are

now available. This was evident in a 1992 study at Howard University Hospital in Washington, which disclosed that 41 percent of the people who died of AIDS in the hospital had never been diagnosed with it. Some undoubtedly died needlessly, not because the hospital gave them madequate care but because they nev-

er came in for treatment. Why don't people who suspect that they might have AIDS come to doctors? In many cases. it is because they don't know

there is hope. The government in its Victorian way tells people to avoid dangerous sex and dirty necdles, but it has no outreach or informational campaign directed at those who are already infected. Some reporters - far fewer than five years ago --- cover AIDS, but they rarely report the news that matters. Two stories have dominated

coverage in recent months: the lack of progress in the search for a vaccine, and allegations that a dentist in Florida transmitted HIV to some patients. Good news simply isn't reported. The very term "AIDS" is part of the problem. It connotes imminent death and despair. Peo-

ple with AIDS are simply writ-

ten off. The term is not even medically very useful. It cannot

be applied to many of the people infected with HIV. According to the Centers for Disease Control and Prevention, AIDS is diagnosed only if an HIV-positive patient has one of a few specific infections or cancers or a low number of socalled helper cells in his or her blood. But people who do not meet that definition die of HIV-

related ailments, and people

who fit the definition - includ-

ing me — can and do survive. 'AIDS" has outlived its usefulness. To mark the evolution of the illness into a condition that is susceptible to treatment. the condition should be relabeled "HIV disease." Such a signal of possibility could save lives.

The writer, a lawyer, is on the board of directors of the Ameri-can Foundation for AIDS re-search. He contributed this comment to The New York Times.

WASHINGTON—Historians of the Clinton presidency will, I think, focus on the great irony that appeared during this summer of his that in this hour of dangerous politisecond year in the White House Bill cal weakness, with his polls down Clinton has increasingly tied his fate and his major legislative initiatives to that of the Democratic Congress in jeopardy, outsider Clinton decid-at the very moment when its lead-ed to try to make himself an insider.

former chairman of the House Bud-

man of the Democratic Congressional Campaign Committee, as

With these three appointments, the president has acquired meaningfully greater experience, judgment and political acumen. But it comes at a price,

ic National Committee - de facto, the head of the party for the mid-term campaign. Finally, Mr. Clin-ton and Mr. Panetta chose Judge Abner Mikva, a former Illinois congressman and member of the Ways and Means Committee, as the new White House counsel.

The common thread among those three appointments is that they could well have been made by House Majority Leader Richard Gephardt had he, instead of Mr. Clinton, been elected president in 1992. In fact, it was Mr. Gephardt who recommended to Presidentelect Clinton that he pull Mr. Panetta, a man Mr. Clinton barely knew, out of the House and make him director of the Office of Management and Budget at the start of Mr. Clinton's term.

Mr. Gephardt was among those urging that Mr. Coelho be sent to the embattled Democratic National Committee. And he cheered the selection of his old Ways and Means buddy, Mr. Mikva — a habitue of the House gym during all the 15 years he has served on the Court of

Appeals — for the counsel's job.
With the former Gephardt aides George Stephanopoulos and David Dreyer already in sensitive White House policy and communications posts, you could call this the "GeBy David S. Broder

ership seems to be losing its grip. The changeover could not be The signal of the change came more dramatic. Mr. Panetta's predewith the selection of Leon Panetta, cessor was Mr. Clinton's boyhood get Committee, as the new White void of Washington experience. The House chief of staff. Panetta chose Tony Coelho, for- David Wilhelm, an agreeable Chicamerly the House whip and chair- go campaign consultant more accusto selling strategy to senators. And 'special adviser" to the Democrat- the first White House counsel was the politically naive Bernard Nuss- president, on the crime bill. baum, a New York lawyer whose main credential was his friendship with Hillary Rodham Clinton

Almost everyone inside the Beltway would agree that in Mr. Panetta, Mr. Coelho and Judge Mikva, the president has acquired meaningfully greater experience, judg-ment and political acumen. But it

comes at a price. It is hard to recognize this Bill Clinton as the man who campaigned against "the brain-dead politics of Washington," the man who beat the stuffing out of all his Democratic rivals who had served in Congress and then walloped that

consummate insider, George Bush. During the Democratic convention of 1992, Mr. Clinton was so careful to keep his distance from the party's congressional leaders that, for weeks afterward, House Speaker Thomas Foley had to remind people that he had actually been sitting on stage, in the front row, during almost all the sessions.

Such turnabouts are not unprecedented, of course. Ronald Reagan ran against Washington, then let insider James Baker run his White House. What is different about Mr. Clinton is that he has tied into a congressional cadre that shows evident signs of battle fatigue.

George Mitchell, the Senate majority leader, is bailing out at the end of this year, worn down by the grind. And the House Democratic leadership, which scrambled frantically to save Mr. Clinton's budget by a single vote last year, saw so many Democratic defections last week that they were unable to pass the procedural rule to bring the crime bill up for a vote.

In a leadership meeting a week before the crime bill vote, two people who were present told me, an exasperated Richard Gephardt. steaming about the reluctance of

can't pass the rule on the crime bill, maybe we ought to let the Republicans run this place."

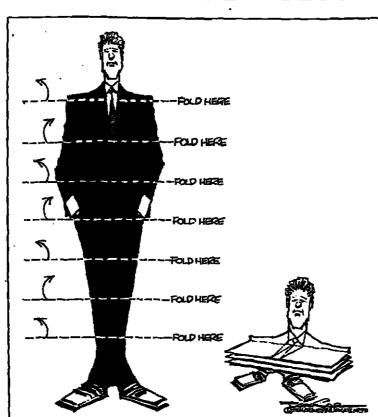
The control of the co

No one in Washington, not even this president, works harder at his job than Mr. Gephardt. But he is a prisoner of the very system he is trying to direct.

Last year, at the behest of organized labor, the main source of campaign funds for House Demoet Committee, as the new White void of Washington experience. The louse chief of staff.

Last week Mr. Clinton and Mr. cratic National Committee is young another priority, the North Amerianetta chose Tony Coello for can Free Trade Agreement. Having broken ranks themselves, they could tomed to courting candidates than hardly threaten to punish Demo-to selling strategy to senators. And crats who went with the National Rifle Association, rather than the

> It is only one example of a larger problem. Mr. Clinton came to town full of ideas for changing Washington and the country, but the House Democrats, to whom he has increasingly tied himself, have been in power for 40 years. They not only like the status quo, they are the status quo. The Washington Post.



LETTERS TO THE EDITOR

How to Help Africa

Regarding "Africa Needs to Get Europe Involved Again in a Differ-ent Spirit" (Opinion, Aug. 15) by William Pfaff:

If European colonization is the miracle solution to anarchy, then perhaps Europe should start by experimenting within its own borders, say in Albania, Bosnia or some former Soviet republics, whose crises are no less lamentable than those of Africa.

True, the problems afflicting many African countries today are real and harsh. But the region is no more threatened in its existence than it was at the peak of the slave trade. The core lessons of Africa's history suggest the ultimate failure of foreign attempts to rob or shape its destiny.

African countries are members of the United Nations, which provides the most suitable legal framework for concerted action by the international community to resolve the crises assailing Africa.

The United Nations should be

massively involved in Africa, not as in current, rearguard emergency operations but in preventive mode, with emphasis on fundamental freedoms and human rights, genuinely democratic institutions and processes of governance, federal constitutions devolving significant responsibilites and resources to the district phardtization" of the Clinton presi-dency. Equally, historians could say president, said, "Dammit, if we nomic integration of the region.

For us Africans, these are the inescapable imperatives that will deliver lasting civil peace, interethnic harmony and socioeconomic modernization. That this is as possible in Africa as anywhere else is being demonstrated in varying degrees by Botswana, Namibia, South

Africa and Zimbabwe. However, our struggle against dictatorship and anarchy in Africa is likely to be very long, bloody and costly without Haiti-type courageous actions by the United Nations to guarantee genuine democratic systems and peace in its recalcitrant African member states.

MWAN NGOE.

Diamonds From Angola

Regarding the report "Angola Tragedy: An Abyss of Mistrust and Killings" (July 29):

The article states that UNITA representatives smuggle diamonds to Zaire "and sell them through middlemen to De Beers." The implication that De Beers has some arrangement with middlemen for receiving diamonds from UNITA is incorrect. De Beers does have licensed buying offices in Antwerp, Kinshasa and elsewhere where diamonds are bought on the outside market in competition with many other licensed dealers. Some of the diamonds purchased by De Beers

doubtless come from Angola. De Beers does not, however, knowingly buy diamonds from UNITA.

ANDREW LAMONT. De Beers/Centenary AG. London.

'Gentle Good Humor'

The back-page article about Peter Mayle ("The Hangover From a Year in Provence," Aug. 10) misses the mark. Wouldn't it have been better to focus on his evocative prose and his obvious love for a country and a

region than to dwell on what a small

handful of people think of him? I dare say, after hearing Mr. Mayle discuss his experiences for more than an hour one evening here in Boston, that he would love to be the anonymous person he once was and to still live where he and his wife did, just down the hillside from Ménerbes. He didn't leave because some of the people there didn't like him. He left because he could get no peace from the rude, insensitive tourists who

loved his book. If the residents of the area harbor ill-feeling toward him, it says infinitely more about them than about Mr. Mayle, whose gentle good humor, I think, never sought to injure, but only to tell a wonderful and entertaining tale. DOUGLAS KEITH.

A Revolutionary Message: Sexual Abstinence for Now

By Colman McCarthy

WASHINGTON — Some 150 out of touch and hopelessly idealis-VV young sexual revolutionaries visited the White House the other day to be encouraged by President Bill Clinton to keep pursuing their goal of liberation.

if that sounds as though debauchery were the agenda, it is only because such notions as sexual liberation have come to be equated with reckless hedonism. A current and growing revolution differs from the conventional one: Its goal is abstinence, for teenagers to be liberated from peer and commer-

MEANWHILE

cial pressures that push or cajole

Kids have been lied to, sometimes by each other and often by

celebrities and advertisers: If

you're physically ready for cou-

pling, then you're emotionally, in-

tellectually and financially ready.

you can have no-consequence sex

of its houses of worship is Tulip

Grove Baptist Church in Nashville,

Tennessee. Sixteen months ago, 59

teenagers at the church were in-

spired by their minister to sign

pledge cards stating: "Believing that

true love waits, I make a commit-

ment to God, myself, my family.

those I date, my future mate and my

future children to be sexually pure

cards, gathered from around the na-

tion, were staked to the ground on

the Washington Mall in late July

when 20,000 teenagers assembled for

the National Youth for Christ Evan-gelical Conference. This is a move-

Until lately, the issue of teenage

sexuality has been dominated by

those calling for safe sex and contra-

ceptive sex. Advocates of no sex -

behavior — are dismissed as being

Letters intended for publication

should be addressed "Letters to the

Editor" and contain the writer's sig-

nature, name and full address. Let-ters should be brief and are subject to

editing. We cannot be responsible for the return of unsolicited manuscripts.

offered at the White House.

Some 211,000 of these signed

until the day I enter marriage."

The other alluring falsity is that

the young into premarital sex.

tic. Anyone going further and daring to suggest to junior high and high school kids that mating at that age is wrong and immoral risks being tarred as a prude or a preacher, just about the worst epithets available short of the meanest of all. You're old-fashioned."

The message from the kids in the True Love Waits campaign is that they have rejected the new fashion. They define sexual abstinence as self-respect, not self-denial. It takes social courage, even a touch of rebelliousness, to move in the opposite direction of a society in which, ac-cording to the Centers for Disease Control and Prevention, three of four high school students said they had had sex by the time of gradua-tion and 40 percent by ninth grade.

For many adolescents, if the security of a loving family is absent, or a bonding with a teacher, coach or spiritual mentor has not occurred. then too often the only available affirmation of love is from someone else in the same lonely fix, with sex creating the illusion that the ties are deep and lasting.

The group at the White House included teenage members of the Southern Baptist Convention. One For others, parents are often flops at moral training. Teachers shy away from stressing abstinence for fear they will be accused of promoting a religious belief. So kids flounder, lost in the feeling of aloneness that is often the severest emotional pain in adolescence.

In the current issue of Celebrate Life magazine, Kathleen Carver of the Washington-based National Federation for Catholic Youth Ministry states that most teenagers desire to be moral about sex: "But they are in a position where they have to make the decision alone ... All teens are making decisions, and they are bombarded with so many inconsistent messages that they don't know where the truth lies. Therefore, they are on their own."

ment that deserves full political and moral support, which the president No more. In the policy debates on teenage pregnancy, which range from harangues from the right to deny welfare to low-income unwed mothers to ideologues on the left out to saturate high schools with conwhich is really a call for responsible dom dispensers, the voices of kids are now being heard. The young are

likely to listen to the young. What parent would not be proud of a son or daughter who had the moral maturity both to resist the sex-drenched culture and to affirm his or her self-worth, especially if the parent has nurtured the youngster along the hazardous way?

Washington Post Writers Group.

BOOKS

WHAT THEY'RE READING

SHADOWS OF HOPE: A Freethinker's Guide to Politics in the Time of Clin-

By Sam Smith. 268 pages. \$22.50. Indiana University

Reviewed by Colman McCarthy

ON the jacket copy, Sam Smith is called "an alterna-tive journalist." Not true. His work is not different from what quality journalism ought to be: truth-seeking, independent, fair-minded and debunking. Alternative journalists are those who have abandoned those standards, belaboring the obvious hedging any risky bet, courting the powerful and putting it all into spiritless prose. That's the alternative press from which Sam Smith flees and is labeled a fugitive only because anyone who breaks from the pack is seen as running

the wrong way.
In "Shadows of Hope," Smith penetrates the darkness with the language and probing skills of such earlier indepen-dents as George Seldes, I. F. Stone and Tristram Coffin.

 Marisa Paredes, Spanish stage and screen actress, is read-"Nadie es Perfecto: Billy Wilder" ("A Close-Up") by

"My daughter gave me the book for my birthday. It's the very entertaining story of Billy Wilder and it tells about all of his ups and downs since arriving in Hollywood." (Al Goodman, IHT)

Helmuth Karasek.

Like them, Smith publishes his own newsletter - the Progressive Review, a monthly that bristles with wit, insight and dabs of clearheaded furning.

Those qualities are here too even overflowing in places. Smith a Washingtonian who reported his first story during the Eisenhower administration. has seen enough of what he calls the "capital culture" to know that positive change, if it arrives at all, will come from the bot-tom, not the top. "The con-flict," he writes, "can no longer be the phony battle between liberals and conservatives that leaves us the choice of control by huge corporations, huge goveroment, or a conspiracy between the two. The question is whether we can restore the indi-

vidual and community to the center of American political Smith the question-raiser has

an idea or two, or 200, on how to begin the work of restoration. It's in local power, "decentralized action" that devolves to where citizens live and feel the brunt of federal remoteness or control. As proof that from-below change has greater impact than from-above change, Smith cites several examples of local action and pressure: "While the tobacco lobby ties up Washington, 750 cities and communities have passed indoor smoking laws." On the Brady law, "by the time the federal government got around to acting on it, half the states had passed similar measures

> Charles Peters of the Washing-ton Monthly or Jack Shafer of its phony expertise and underwit. He discusses "the politics remain trapped in a temple to a of toys," otherwise known as false god." of toys," otherwise known as programs of federal waste: Ronald Reagan's political toy

lars without producing any

thing that worked." Smith covers plenty of ground, which means he trips occasionally. His criticism of the Clinton administration's community service program is uninformed. He says, for example. "There is a strong argument to be made that there are better ways of encouraging communimore than \$30 an hour for it, as the Clinton program will do in its early stages.

He doesn't provide a source for the figure. I checked with Eli Segal, director of the Corporation for National and Community Service, and he savs Smith's numbers are wildly inflated. College students involved in the Clinton service program are to receive minimum-wage stipends, plus education awards that add no more than \$3 an hour. Program costs will vary widely but the total is far short of \$30 an hour.

Two pages after Smith's gripe about that exaggerated figure, he claims that community service programs have much appeal to politicians and policy hustlers because they are "inex-pensive." So which is it: high cost or low cost?

Smith's strengths are in laying out the specifics of what he Amid the explorations of localized progress. Smith assumes How? "We must change not the lesser but more entertaining only our political policies but the very way we regard politics. role of wry observer. He's the very way we regard politics. cranky in the manner of Until we bring politics home— City Paper: grouchiness with mining its arrogance - we will

Colman McCarthy is a columwas Star Wars, a theory that nist for The Washington Post wasted tens of billions of dol- Writers Group.

NOVEMBER 1994 Investing in New Infrastructure for Europe Berlin-

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- Günter Rexrodt, Minister of the Economy, Germany

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SKADDEN ARPS SLATE MEAGHER & FLOM

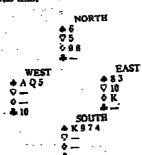
BRIDGE

By Alan Truscott

N the diagrammed deal South found himself in four spades as shown after his partner had shown a strong raise with a Drury two-club re-

West led the club jack. South won with the acc and led a heart. West played low and dummy's jack won. The heart queen was played and a dia-mond discarded, a loser-on-los-

er move. West took his ace and led a club to dummy's king.
South cashed the heart king. discarding the diamond jack, and led a diamond to the acc. He then ruffed a club with the spade jack, ruffed a diamond, and ruffed his last club with the spade ten. The ending, with South needing two more tricks. was this:



South led the spade six, and played low from his hand. This deep finesse against the right

brought home the game. South's spade four was the crucial card. If East had held 8-4 instead of 8-3, he could have covered the six with the eight. Then the uppercut with the four would have succeeded.

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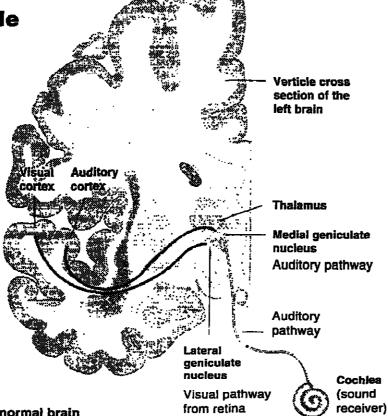
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HEALTH/SCIENCE

Timing Flaws And Reading Trouble

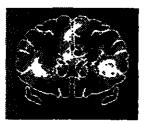
New research on reading difficulties points to a deficiency of cells in a region of the left brain that handles fast processing of sounds; the region, the medial geniculate nucleus of the thalamus, processes impulses on the way to the auditory cortex, which interprets speech. Scientists had already identified a similar problem with visual processing in cells in the lateral geniculate nucleus.

The auditory problem affects areas that are active when the brain absorbs fast-changing sound impulses like tone triplets, syllables and words, as shown by bright areas in PET scans of normal brains, below. The region is inactive when processing the long, unchanging signals of vowels, right.

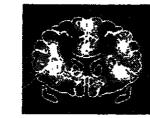


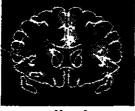
Stimulation of processing area in a normal brain

Sources: Dr. Paula Tallal/Rutgers; Dr. Albert Galaburda/Harvard









Dyslexia: A Flaw in Brain Circuit?

By Sandra Blakeslee New York Times Service

EW YORK - Researchers say they have pinpointed a funda-mental brain flaw that may be a major factor in the development of some forms of dyslexia, a learning dis-ability that affects millions of schoolchildren and adults.

The finding, published in the Proceedings of the National Academy of Sciences, suggests that dyslexia is at root not a visual or ordinary hearing problem, as many have thought, but a flaw in a specific brain circuit that handles rapidly flowing auditory information.

The study found that the left brain hemispheres of dyslexic children usually contain few cells of the kind that specialize in comprehending rapid sounds and that this comprehension problem is a major factor in their later difficulty in learning to read. The researchers say the effects dyslexia begin in infancy, when such children are unable to hear many components of ordinary language.

Methods of treating dyslexia, or difficulty in reading, have generally had un-even success. "This is a medical problem with a neurological basis," said Dr. Paula Tallal, a leader in the new research. "It's not the fault of the child, the parents or the schools." Dr. Tallal is co-director of the Center for Molecular and Behavioral Neuroscience at Rutgers University's

Newark campus in New Jersey. Dr. Tallal and her colleagues have just completed a pilot study of ways to help children with this form of dyslexia compensate for the brain defect. While results have not yet been analyzed, Dr. Tallal said, "we are very encouraged by what we saw." in March, the Charles A. Dana Foundation in New York awarded a three-year grant of \$2,3 million to Dr. Tallal and four other scientists who are spearheading the revised view of dyslexia.

The new research is "really exciting, said Will Baker, executive director of the National Dyslexia Research Foundation in Boca Grande, Florida.

By Jane E. Brody

EW YORK — Osteoporosis and

the factors that may help to pre-

vent or cause it have received

much attention in the last decade.

Bone specialists have identified insuffi-

cient calcium in the diet, lack of exercise,

cigarette smoking and a natural hormonal decline at menopause as major contribu-

tors to the weakened, fragile bones of os-

But one important contributor to osteo-

In a new booklet, the National Osteopo-

rosis Foundation, based in Washington,

calls attention to this effect of many im-

portant medications and suggests that

porosis has been largely overlooked: the role played by medications that have bone

teoporosis, a bone-wasting disease.

loss as a major side effect.

their emphasis on the analysis of reading, she said. Speech pathologists and vision specialists paid close attention to the eyes and ears, devising exercises to help chil-

dren recognize sounds and written words.
"I wanted to ask what is going on in the brain that would lead to problems in lan-guage and reading." Dr. Tallal said. "This put me on the fringe."

Dr. Tallal's early research described how language-impaired children some-times had trouble integrating sensory events. "I really had an 'Aha!' phenomenon," she said in a recent interview. "I thought maybe it's that they have difficulty in processing fast speech sounds.

looked at the acoustics of speech," she said. "What are the critical cues that differentiate one speech sound from another? The speech stream is very complicated. When you put sounds together, everything starts moving fast. You need to analyze individual sounds, put them in the right order and keep up with the meaning."

OME speech sounds, such as pure vowels like "aaaaahh," occur in a steady flow that continues for more than 100 milliseconds (a tenth of a second), Dr. Tallal said.

But other sounds are characterized by rapid changes. The so-called stop-consonant syllables — ba, da, ga, pa, ta and ka have a transitional period in which the initial consonant frequency changes very rapidly to the frequency of the vowel.

The initial "b" vibration in the sound "ba" lasts for only 40 milliseconds before switching to the "ah." The brain has to distinguish these fast transitions to discriminate stop-consonant syllables. Dr. Tallal said. But other sounds, such as "ma." do not depend on a fast transition, she said. The "m" typically lasts a hundred or more

milliseconds before the "ah." Dr. Tallal said listening experiments done in the 1970s had also led her to think about auditory timing in the brain. In such experiments, a different word is introduced

Some Drugs Tied to Osteoporosis

tion to prevention might help protect the

bones while accomplishing the desired

Glucocorticoids, one of the most useful

and widely prescribed class of drugs, are major offenders when it comes to bones.

Glucocorticoids, introduced in the late

1940s, are synthetic versions of the steroids

About 50 million Americans have condi-

tions that are often treated with glucocorti-

coids, like arthritis, asthma, allergies, ulcer-

ative colitis, liver disease, lupus, cancer and

organ transplants. The drugs include corti-

sone and hydrocortisone, prednisone and

prednisolone, triamcinolone, methylpredni-

solone, dexamethasone, betamethasone.

flunisolide and beclomethasone dipropion-

ate. They act on the immune system, sup-

pressing inflammation and runaway im-

produced by the adrenal glands.

therapeutic goal.

Dr. Tallal, who heads the group effort, began working on dyslexia in the early 1970s. Back then, educators put nearly all subject. Most people tend to pick up the word that is introduced into the right ear, subject. Most people tend to pick up the word that is introduced into the right ear, she said, presumably because it goes to the left side of the brain, which is specialized

for language.
But in further tests, Dr. Tallal found that only words with stop consonants and the fast-timing requirement yield this so-called right ear advantage. If sounds like "ba" are artificially stretched out — turning the 40millisecond transition into a 100-millisecond transition - the right ear advantage is less pronounced.

In other experiments, Dr. Tallal presented brain-damaged adults with nonverbal tones arriving 10 milliseconds apart. Those with right-brain damage could hear both tones just fine, she said, but those with leftbrain damage could not.

That led to a second idea, Dr. Tallal said. "Maybe the reason we have left specialization for language," she theorized, "is not for speech alone, but for rapid temporal pro-I nese ideas remained improvable she said, until scientists could probe the brain with new imaging and anatomical

The big task before researchers is to find the cause of the brain malfunction. Is it a problem with just the cell types in the medial geniculate or a broader malfunction involving larger brain circuits?

All of this research suggests new ways to treat dyslexia. While some of the techniques used today help dyslexics some-what, many children remain frustrated and continue to have reading problems throughout their lives.

Dr. Michael Merzenich, a neuroscientist at the University of California in San Francisco and an expert on how the brain gets reorganized after new experiences, is working with Dr. Tallal in devising new techniques for dyslexic children.

Among other strategies, they have developed computers that draw out the stop consonants, giving dyslexic children enough time to hear them. The hope is that their brains, after hearing the sounds for the first time, will develop alternative pathways for processing them.

mune responses, like the ones that occur in

The drugs are often life-sustaining for

transplant patients, who might otherwise

reject their new organs, and they are im-

portant components of cancer chemo-

therapy. But they can interfere with the

absorption of dietary calcium, stimulate

the action of bone-destroying cells called

osteoclasts and inhibit the action of bone-

Another of the most commonly pre-

scribed medications in the United States is

thyroid hormone, which is sold, for exam-

ple, under the brand name Synthroid, pro-

duced by Boots Laboratories. It is given to

people whose own thyroid glands are not

sufficiently active. When administered at

high doses, or when the thyroid gland

produces too much hormone, thyroid hor-

mone can cause bone loss.

allergies and autoimmune diseases.

building cells called osteoblasts.

A Prozac a Day Puts Fido's Itch on Hold

By Tracy Thompson Washington Past Service

ASHINGTON - Prozac has made Charlie Norton a calmer, saner man. Not only has the constant licking stopped, so has that maddening "arrigh" he was hearing in the middle of the night at the foot of his bed.

It was his golden retriever, Sunny, whose trouble with allergies and itching had developed into a full-blown compulsion to gnaw on her paw. Mr. Norton and his wife had tried lotions, antihistamines and allergy tests. Then the family veterinarian hit upon the cure; one Prozac a day. In two weeks, the little green-and-white capsule had turned Sunny into a happy puppy.

It's true: Prozac - that antidepressant wonder drug — has yet one more power. It cures dogs of the itch. Well, not of the itch, exactly, but of something far deeper in the

dog psyche: the urge to scratch. Credit for this discovery goes to Steven Melman, a veterinarian in Potomac, Maryland, with a specialty of veterinary dermatology. Five years ago researchers at the National Institute of Mental Health, looking into obsessive-compulsive disorders in humans, found that traditional antidepressants could cure compulsive behaviors in dogs. Dr. Melman decided to take that discovery a step further. He tried Prozac, then new on the market.

The results were dramatic: Dr. Melman's compulsive lickers and chewers abandoned their habits. Even inveterate tail-chasers got mellow. Today, he esti-mates he has dosed about 100 dogs with Prozac, with gratifying results.

And if dogs, why not cats? Actually, Dr. Melman says, cats lack a particular liver enzyme that metabolizes certain drugs, including aspirin and Prozac.

He refuses to speculate about the psychic implications of his discovery, limiting

himself to the more prosaic applications of Prozac in dermatology.

Dr. Melman has put most of his energies into natural cures, even inventing his own line of all-natural dog lotions and sham-

"Drugs are an absolute last resort," he said. But when all else has failed, Prozac is the shortest distance between two points.

Dogs exhibit an array of behaviors that have psychological origins, he said, aithough they may initially appear as physical allments. Often exacerbated by the boredom of being cooped up in an empty house all day, those behaviors range from compulsive biting and scratching to selfmutilation, object fixation, thunderstorm phobias, aggressive tendencies and tail-

News that Prozac has caught on among veterinarians has caused some headscratching at the Food and Drug Administration. Prozac is not on the FDA's list of human drugs with a recognized use in animals. A spokeswoman said the agency rarely looks into drug use in animals unless the animals are intended for human consumption. The FDA sees no reason to interfere "as long as it doesn't harm the animal and it's intended to prevent suffer-

Dr. Melman warns that, in the wrong dosages, Prozac can be fatal to animals, and he fears that publicity may tempt some people to just feed their own pills to old Sparky when he causes trouble. "Or, what's more likely, people will come in and get it for Sparky and take it themselves," he said. "That's what I worry about."

He said he thought that Prozac could have other uses in animals. One might be to treat compulsive feather-plucking in birds. Another might be to treat cribbing in horses — an affliction in which horses gnaw on the wooden edges of feed troughs or stall doors and gulp air until they swell

IN BRIEF

Mother-Infant AIDS Linked To Amount of Virus in Blood

NEW YORK (NYT) - In findings that bear directly on prevention of mother-toinfant transmission of the AIDS virus, two new studies show that the likelihood of infecting offspring rises with the amount of the virus in a pregnant woman's blood.

The studies, from researchers in the New York State Health Department and New York University, are believed to be the first to measure the amount of the HIV virus in infected women during pregnancy and at delivery and in the infant during its first months of life.

On average, only one in four babies born to infected mothers develops AlDS, a mystery that the current studies help to clarify. The correlation could also be important in pointing the way toward new treatments to prevent transmission of the virus from mother to infant, the authors of the reports and federal health officials said.

The health department study also showed that pregnancy did not make AIDS worse in women, which challenges earlier reports.

Estrogen Treatment Urged For Breast Cancer Survivors

CHICAGO (Reuters) - Survivors of breast cancer are commonly denied treatment with the hormone estrogen, which can help menopausal women, because of a mistaken belief that the hormone will reac-

tivate their cancer cells, researchers say.
"We believe it is time for a change, and we believe that the time is right to study the effects of estrogen replacement thera-py," Melody Cobleigh, of Rush-Presby-terian-St. Luke's Medical Center in Chicago, wrote in the latest issue of the Journal of the American Medical Association.

Estrogen can lessen the annoying and sometimes debilitating symptoms of menopause and has been shown to reduce coronary heart disease and maintain bone density in women. However, the treatment was usually discouraged for breast cancer survivors because of concern that dormant tumors might become activated and that the resulting increased breast density could delay diagnosis of a recurrence. In Sydney, Australian scientists say they have found a breast cancer "marker" gene

that may allow them to predict survival more accurately and improve drug therapies. The gene cyclin DI causes breast cancer cells to multiply more rapidly if it is overabundant in breast tissue, they say.

Asthma Drug Found Useful **In Controlling Croup Cases**

-WASHINGTON (WP) — A new study suggests that a common asthma drug, approved for use in Canada and Europe and now undergoing testing in the United States, can effectively control croup and

reduce costly hospitalizations.

The study, published in the New England Journal of Medicine, suggests that inhaling a gentle mist of the drug budeson-ide can effectively control mild to moderate croup symptoms quickly, painlessly

sands of children sidelined each year with croup, a viral infection that causes hoarseness, breathing difficulties and heavy coughing. In the most severe cases, doctors often administer dexamethasone, a powerful corticosteroid, but the drug can cause intestinal bleeding.

MERNATIC

Warning on Epilepsy Drug Curbs Use in Many Cases

WASHINGTON (WP) — The warning that an effective new drug to control epi-lepsy can cause a potentially fatal form of anemia leaves doctors and patients with a difficult choice.

Both the Food and Drug Administration and Carter-Wallace, makers of the drug, issued warnings earlier this month urging doctors to begin weaning patients from felbamate, marketed as Felbatol. The notices came after 10 people taking felbamate developed aplastic anemia, a rare and often fatal blood disorder. Two people died. Since the warning, 11 more have been diagnosed with aplastic anemia and two more have died, the FDA said. "It's very upsetting and disappointing for a number of patients who have found a partial answer to their problems," said Robert Fisher, director of the epilepsy center at the Barrow Neurological Institute in Phoenix,

We have essentially advised all our patients to go off the drug," said Ronald Lesser, director of the epilepsy center at Johns Hopkins Medical Institutions.

U.S. Rise in Tuberculosis Linked to Foreign Origins CHICAGO (Reuters) - Nearly two-

thirds of the rise in U.S. tuberculosis cases since 1985 occurred among foreign-born people, highlighting a need for closer screening of immigrants, researchers say. Incidence of the disease dropped sharply from the 1950s to the mid-1980s, but rose 20 percent between 1985 and 1992. Foreign-born victims of the disease during that period accounted for 60 percent of the total increase, according to Michael Cantwell of the Centers for Disease Control and Prevention in Atlanta.



A scanning electron micrograph portrait of a Gigantiops ant.

True Rulers of the World Portrayed in a New Guide

By Nicholas Wade New York Times Service

EW YORK - Though humans assume without question that their species dominates the world, by most objective measures the palm goes to the ants. Humans dwell complainingly in a narrow range of climates; ants live without demur at every extreme, in tundra and rain forest, in swamp and desert, deep beneath the earth and in the topmost trees.

Humans the world over are much the same, and apart from some trivial variations in hair and skin color it is as hard (taxonomically speaking) to tell one from another as it is with peas in a pod. But the tribes of ants vary so riotously that the largest known species is 40 times the size of the smallest.

Each human society practices much the same mix of business, leisure and war, ant communities specialize in a vast variety of occupations. Some are harvesters, some are weavers, and some muster in huge traveling armies. There are ants that culture funguses, ants that nurture butterfly larvae and ants that make slaves of other

Since humans are so recent an addition to the planet's fauna, there is but one living species of them, which is probably quite enough. Ants, have been around for 100 million years and exist in an estimated 15,000 extant species, of which only about 10,000 are known to science. Even myrmecologists, students of ants, can get confused about species or genus.

To help them out, a guide and photographic key to the correct classification of ants has now been prepared by Barry Bolton, a myrmecologist at the Natural History Museum in London. His guide gives the head and side view of representative members of the known ant subfamilies and genera, but it does not attempt to go from the genus to the species level.

Every feature of an ant's physiognomy, each whirl and notch and sculptural curlicue, has an evolutionary purpose, Mr. Bolton says, but in most cases no one knows what it is. "There are umpteen lifetimes of work in this subject," he says happily. But biologists can guess at some major

features. The enormous eyes of some species, as in the photograph above, are an adaptation of hunting ants. Long jaws with pincers on the end are to hold at a distance prey that fight back or release noxious

Harvard's Museum of Comparative Zoology has the world's best collection of ants. London's Natural History Museum has the second-best -- "but I'm working on it," Mr. Bolton says.

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International Herald Tribune, Thursday, August 18, 1994

International Herald Tribune World Stock Index O, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.

Approx. weighting: 37% Close: 116.69 Prev: 115.47

Approx. weighting: 26% Close: 140.83 Prev.: 137.43

out in

The index tracks U.S. dollar values of stocks in: Tokyo, New York, Le Argentine, Australie, Austria, Belgium, Brazil, Canada, Chile, Denmar France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zedian Singapore, Spain, Sweden, Suitzerland and Vanezuela. For Tokyo, Ne London, the Index is composed of the 20 top lesues in terms of market catherwise the ten top stocks are tracked.

Industrial Sectors Ward. Press. % alone place change 118.28 117.57 +0.60 113.49 112.70 +0.70 Raw Melecials 133.87 132.68 +0.90 129.43 127.55 +1.47 103.61 102.75 +0.84 Concumer Goods Finance 118.05 117.13 +0.79 132.59 131.51 +0.82 Services 121.54 120.66 +0.73 For more information about the Index, a booklet is available tree of charge. Write to Trib Index, 181 Avenue Charles de Gapile, 92521 Neully Cedex, France.

INTERNATIONAL MANAGER

By Edward A. Gargan

New York Times Service

the frenzy of building that has seen prop-

erty values soar beyond even Tokyo's

galactic heights. But Gordon Wu, from his office 64

floors above a skyline of mirrored stalagmites, dismisses the way of his fellow

"That's for every Tom, Dick, Harry and Trump," he grumped. "I want to go

Mr. Wu has been hugely successful in property and buildings, although like many developers he had a nasty scare

when the market fell apart in the early

1980s. But for the last decade he has

concentrated on long-term projects,

building superhighways and power

ably the world's largest independent power producer," Mr. Wn said, his ver-

bal swagger more offhand than boastful.

He has four power projects up and running, one in China and three in the

Philippines. Two more are under construction, one in China and another in

the Philippines, and negotiations are un-der way for more in China, Indonesia

70-day 1,5340 1,5610 1,3129

Last month, Mr. Wu opened China's

There's no doubt we'll become prob-

into mfrastructure."

plants throughout Asia

ONG KONG -- Real estate is

the biggest game in town here. The wealth of those in the

business has raced ahead in

southern China.

Asian Tycoon Tackles Infrastructure

first superhighway, a \$1.1 billion, six-lane toll road running 77 miles (124 kilo-meters) from the border of Hong Kong to Guangzhou, the commercial hub of

Work on a second highway, from the Portuguese colony of Macao to Guangz-

hou, starts in October, and Mr. Wu

hopes to finish a 650-kilometer highway

from Guangzhou to Changsha, the capi-

concept of building roads

need roads and they need

and power plants. They

power plants in Asia.'

John Pinkel, analyst at HG Asia

tal of Hunan Province in central China,

before the end of the century.
"T'll explain the logic of this," Mr. Wu

said, unfurling a map of China on the mahogany conference table in his office.

cessful. If you look at the history of

America, you have Boston. You have Philadelphia. You have Baltimore, Sa-

vannah. How come all of these ports were not No. 1? How come New York

was No. 1? It was because of the Hudson

River, the Eric Canal, the Great Lakes. If

"I want Hong Kong to be really suc-

'You have to like the

SEC Slaps Securities Practices

Coopers Auditor Gets Suspended

Bloomberg Business News WASHINGTON - The Securities and Exchange Commission on Wednesday suspended a former Coopers & Lybrand auditor from practicing before the SEC for five years, saying he had approved the financial statements of a Florida-based insurer even though he knew the company was engaging in sham transactions with a unit of Merrill Lynch & Co.

Donald Withers, who left Coopers & Lybrand last year, agreed to settle the charges without admitting or denying guilt, according to a statement issued by the SEC.

The SEC also said it had begun an administrative proceeding against Charles Marini, who served as a controller for Guarantee Security Life Insurance Co. of Jacksonville, Florida, between 1984 and 1991.

The agency said it would hold hearings on charges that Mr. Marini had violated recordkeeping requirements and abetted other violations by Transmark USA Inc., Guarantee's

parent company.

The SEC alleged that Guarantee transferred the ownership of junk bonds in its investment portfolio to Merrill Lynch, Pierce, Fenner & Smith at the end of each year and received cash or U.S. Treasury securities in return.

"By engaging in sham sales of a large portion of Guarantee's portfolio of high-yield securities on the last trading day of the fiscal year and replacing these securities with a less risky asset, and then reversing the transactions within the first few trading days of the new fiscal year, Transmark manipulated key indicators of its financial health relied on by investors and state regulators," the SEC

Capitalism's Cutting Edge Shanghai Entrepreneurs Travel New Paths

By Kevin Murphy nional Herald Tribune

SHANGHAI - Scrambling for capital and critical mass. China's leading busi-nesses are stretching the lim-its of state control in ways almost unimaginable four

years ago.

Early in its experiment with publicly traded companies, Beijing swapped minority stakes in China's best companies for private capital and entrepreneurial exper-

But few leaders could have anticipated that foreign shareholders would drive Shanghai Dazhong Taxi Co., or that Shanghai Phoenix Bicycle Co. would build Taiwanese scooters, or that Shanghai Tire & Rubber Co. would set up a research facili-ty in Akron, Ohio, the heart of the U.S. rubber industry.

With foreign investment and greater entrepreneurial freedom, all three companies are poised to further expand and diversify, with much less direction from the state.

Things have developed a little faster than the government probably expected, said Yang Guoping, chair-man of Dazhong Taxi. "But high-speed development, like Mr. Yang of a transaction

cars, needs some controls to with wide ideological and practical consequences. "I

After months of lobbying Beijing authorities for approval, Dazhong Taxi recently converted enough domestically owned shares in the company, or A shares, into those available to foreigners, or B shares, to give non-Chinese investors the largest stake in the company.

The deal, a first for a listed Chinese company, raised much-needed foreign ex-

'We will need greater flexibility from the authorities.' Jin Fan Nan, Shanghai Tire

change and bolstered Dazhong's independence from state interference by transforming nonliquid "legal-person" shares held by other state-owned companies into

B shares. We think it's a milestone of internationalization for Chinese companies," said

know there are a lot of companies that want to be the next to do it."

In a move that will further expand foreign-shareholder control over the onetime state utility. Dazhong is seeking regulatory approval to issue bonds that can be converted into B shares over a period of

With the proceeds of the July A-to-B share conversion and the planned convertible bond. Dazhong plans to expand its taxi operating franchise to other cities across

Also, reflecting greater competition and price con-trols in Shanghai, Dazhong will hasten to expand its autoservice business and develop fleet leasing using expertise from Hertz Corp.

As even China's best companies face difficulties raising capital domestically for expansion as Beijing attempts to slow a runaway economy, most are turning to interna-tional capital, if they can, where funds are available and relatively cheap.
We need l billion ren-

minbi [\$110 million] for our See CHINA, Page 11

American Home Buys Cyanamid For \$9.7 Billion

NEW YORK - American Home Products Corp. agreed Wednesday to buy its drug industry competitor American Cyanamid Co. for \$9.7 billion. The price represents a 6.3

percent premium to American Home's original bid two weeks ago of \$95 a share, or \$9.07 billion, and a 60 percent premium to Cyanamid's stock price before American Home's offer. American Home will pay Cyanamid shareholders \$101 per share in cash, creating a drug, food and agricultural

chemicals concern with more than \$12 billion a year in sales. Included are American Home's flagship brands, the painkillers Advil and Anacin, its Chef Boyardee, Gulden's mustard and other food brands, along with Cyanamid's Centrum vitamins, surgical devices, vaccines, and a variety of insec-

ticides and herbicides. American Cyanamid shares surged \$2.25 to \$96.50 on the New York Stock Exchange, while American Home rose 37.5 cents to \$59.25.

The deal is the biggest of a series of health care industry

mergers over the past several years that have been spurred by the desire of companies to grow to protect profits in an era of reform and cost-cutting.

The merger has been approved by the boards of both companies, they announced.

American Home will revise its \$95 tender offer to Cyanamid shareholders up to \$101 and will give shareholders an extra week, until Sept. 14, to

The deal is the culmination of about a month's worth of discussions between the top executives of the two companies.

"After a thorough analysis of American Home Products' increased offer, our board concluded that a combination of the two companies would maximize value for our stockholders and lead to the creation of a highly competitive participant in our markets," Albert Costello, Cyanamid's chairman and chief executive, said.

Mr. Costello had initially been cool to a deal, which was introduced to him in a July See MERGER, Page 10

European Stocks Rally on U.S. Rate Rise

Compiled by Our Staff From Dispatches LONDON - Most European stock markets rose Wednesday, led by London, as investors viewed the rise in U.S. interest rates Tuesday as a sign of determination to fight infla-

Dealers said the half-percentage-point rise in U.S. rates was seen as a decisive and lasting move by the Federal Reserve Board to keep inflation in check. U.S. rates are now expected to remain stable for at

you want Hong Kong to be on the map, the only way to do it is to put this road

With such plans, Mr. Wu and his main company, Hopewell Holdings, have won a reputation for boldness.

"The company," a Credit Lyonnais

Securities report said, "has acquired something of a reputation for becoming

involved in visionary and often risky projects in locations where other inves-

Analysts of Mr. Wu's empire, a tangle

of companies including hotels, construc-

tion, power plant management, engi-

neering finance and highway concerns,

tend to admire his vision but confess to

having difficulty figuring it all out.

It's very difficult to value the compa-

ny because the projects are very com-plex," said John Pinkel, an analyst at HG

"It is very difficult to get a hold on the complex subsidiaries and the cash flow

and the financing situation. But he does

have a vision," Mr. Pinkel added. "You

have to like the concept of building roads

and power plants. The concept is very

sound. They need roads, and they need

power plants in Asia. But the mechanics

of doing it are very, very difficult." Mr. Wu, 58, was born in the Wanchai

district in Hong Kong, about half a mile

from from the glittery central business

See TYCOON, Page 11

into the center of China."

tors feared to tread."

least the next quarter, they said. "The half-point rise is the right thing, and it won't hurt the market," a dealer in London said. "We consider this is sufficient on U.S. rates for some time, and the market seems to be taking the same view."

British shares posted the biggest gains after government data showed inflation at a 27year low and unemployment falling, apparently ruling out an immediate rise in British interest rates, dealers said.

The Financial Times-Stock Exchange 100-share index rose 1.37 percent, to 3,190.30, led by pharmaceutical stocks.

In Paris, the CAC-40 index of blue-chip issues added 1.12 percent, to 2,034.98. But the Mibtel index in Mi-

lan bucked the trend, losing 1.53 percent, to 10,235.00, dogged by the weak lira and ongoing political concerns.

In Britain, the so-called

headline inflation rate fell to 2.3 percent in July from 2.6 percent in June, the Central Statistical Office said. Analysts had been expecting inflation of 2.6 per-

Underlying inflation, which excludes mortgage interest payments and is thought to be the June.

more reliable figure, fell to 2.2 percent annually in July - the which are seen by economists as lowest rate since 1975 — from a forward indicator of retail 2.4 percent in June. Analysts had

predicted a figure of 2.5 percent. The British Chambers of Commerce said the figures confirmed that inflationary pressures remained muted. "It would be premature of

the government to put up interest rates with such low inflation and only a third of firms working to full capacity," said Richard Brown, deputy directorgeneral of the agency.

The Bank of England said provement in banking and last month it might have to raise rates to head off inflation.

But Nick Parsons, an economist at Canadian Imperial Bank of Commerce, said Wednesday's figures showed the Bank of England's worries were "again misplaced." He added, "The collapse of consumer-related prices shows no need for a base rate rise."

The government also said that the number of Britons without work fell, on a seasonally adjusted basis, for the sixth consecutive month, to 2,632,000 in July. That put the unemployment rate at 9.3 per-

Average personal earnings, prices, rose 3.75 percent in the 12 months through June, un-

■ Swedish Currency Drops

The Swedish krona fell as investors panicked on reports of the opposition Social Democratic Party's plans for the economy if it wins a general election next month, Reuters reported from Stockholm.

The dollar rose to 7.8923 kro-New York from 7.8253 Tuesday.
"Foreigners are sellingthey're

getting out of Sweden," a foreign-exchange trader said. But the stock market edged up, with the benchmark Affaersvaeriden index rising 0.65 percent. to 1,883.63 points.

The latest polls point to victory for the Social Democrats in the Sept. 18 election. Instead of detailed spending cuts com-bined with tax increases that financial markets had been expecting, reports in the Swedish press said the Social Democrats would slash interest rates and work for lower unemployment.

Pinault Is Set To Acquire Most of FNAC

PARIS - The real estate magnate François Pinault looked set Wednesday to add FNAC, France's leading books and music chain, to his stable of major retailers he has bought up in recent years.

Cie. Générale des Eaux, which owns a third of FNAC, is expected to announce Thursday whether it will exercise its right of first refusal over the twothirds stake held by Credit Lyonnais, the troubled state-run Di

A source close to the deal said the water utility would probably maintain its stake but would not block Mr. Pinault's offer to buy Credit Lyonnais's stake, worth about 20 billion French francs (\$374 million).

Générale des Eaux and Credit Lyonnais bought FNAC late last year as part of a rescue package for its parent, GMF, a mutual insurance company originally set up for civil servants.

Investors Now Hope Bundesbank Stands Pat

Compiled by Our Staff From Disputches tembergische Kapitalanlagege dence," said Stefan Pelgrim, an FRANKFURT — Investors sellschaft GmbH in Stuttgart. got the action they wanted from

do nothing because with such a Tuesday in short-term U.S. in-measure they'd win time and terest rates.

Bundesbank policy-makers AG. the Federal Reserve on Tues-day: a half-point boost in U.S. week break. The discount rate is interest rates to squelch infla-4.50 percent, and the Lombard take into account bullish dotion. On Thursday, they'd like rate is 6.0 percent. Analysts said some old-fashioned inaction the Bundesbank probably from the Fed's inflation-bat- would try to show that its decitling cousin, the Bundesbank.

"I hope the Bundesbank will half-percentage point increase

cool off all the pell-mell activity in the markets," said Werner Schneider of the Baden-Würt-

sion was not influenced by the flation.

A Swiss Bank Corp. economestic trends such as slower M-3 money supply growth and in-

July and is expected to continue

Western German annual inflation slowed to 2.9 percent in

Duesseldorf said a strong economic recovery in the second quarter has taken away the argument for lowering the rates immediately. But the Commerzbank economist Peter Mueller says the Bundesbank may lower rates just to end speculation that recent rises in Swedish and Italian interest rates, compounded by the Fed's move, signaled an end to lower

> (Bloomberg, Reuters, AFX, e Knight-Ridder)

CURRENCY & INTEREST RATES

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fett, long Coca-Cola Co.'s largest shareholder, bought 4.9 million more shares in July, boosting his stake to 99.9 million shares, according to filings with the Securities and Exchange Commission. Mr. Buffett purchased

4,900,980 shares between July 1 and July 25 at \$41.16 to \$42.68 Thus, Mr. Buffett has spent

at least \$201 million to increase his stake in the world's largest beverage concern. Buffett now owns 99,871,180 Coke shares, about 7.75 percent earnings in May, largely beof the Atlanta-based company's cause of investment gains.

shares outstanding. more than \$4.6 billion, based on Coke's recent trading prices.

In June, he bought 1.6 million shares, paying more than \$63 million.

a lawsuit against Coca-Cola and Coke affiliates charging them with breaching a 1987

slump despite consistently New York. strong earnings. Coke stock traded Wednes-

In seminars, the billionaire

investor has said: "If you are a know-something investor, able to understand business economics and to find five or 10 sensibly priced companies that possess important long-term competitive advantages, conventional diversification makes no sense for you."

He is chairman of the investment conglomerate Berkshire Hathaway Inc. in Omaha, Nebraska, which reported a leap in

That stake is worth slightly Suit Filed Over '87 Contract Satra Group said it had filed

contract on terms of Coke's Coca-Cola stock only recent-ly has broken out of a two-year slump despite consistently

Satra said the suit seeks "not day at a record of \$46.375, but less than \$150 million" and 10 day at a record of \$46.125, up percent of Coke's sales in the trailed off later to \$46.125, up former Soviet Union.

Buffett, Coke's Top Shareholder, Increases Stake ATLANTA — Warren Bufatt, long Coca-Cola Co.'s largatt, lon

German rates.

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Compiled by Our Staff From Dispatches NEW YORK — Wall Street took a second look Wednesday at the Federal Reserve Board's interest-rate rise, with Treasury bond prices settling back and stocks consolidating after Tuesday's rally.

The Dow Jones industrial averaged closed 8.09 points lower at 3,776.48, but advancing is-

U.S. Stocks

sues led declining ones by an 11-to-9 ratio on the New York Stock Exchange.

30-year Treasury bond fell cal fell 1½ to 69¼. The Dow 10/32 point, to 101 8/32, send- Jones utilities average slid 1.65 ing the yield up to 7.39 percent points to 188.04.

tion gave way to concern Wednesday that higher rates equipment, and from Hewlett-would slow the economy and Packard on Tuesday. make fixed-rate investments more appealing.

Stephens & Co. said.

Analysts said optimism to 794.

about corporate earnings was being offset by a growing recog-nition that rising rates would lift corporate and consumer borrowing costs and make some fixed-rate investments more competitive.

Concern that higher rates will curb economic growth drove paper and chemical shares lower. The rate rise also hurt utilities, whose dividends become less attractive when yields on

fixed-income investments rise. International Paper dropped 11/4 to 71%, Boise Cascade eased 1/4 to 26%, and Weyerhaeuser The price of the benchmark declined 1 to 40%. Dow Chemi-Jones utilities average slid 1.65

from 7.37 percent Tuesday. Some technology shares ral-Conviction on Tuesday that lied after stronger-than-expectthe Fed's half-percentage-point ed quarterly earnings from Aprate increase would stop infla-plied Materials, a maker of semiconductor manufacturing

Drug stocks were boosted as takeover speculation rose in the "There's a real question as to industry after American Cyanawhether higher interest rates are good for the economy, Chrisby American Home Products. good for the economy, Chrisby American Home Products. Bi Lilly surged 3½ to 58 and Warner-Lambert advanced % (Bloomberg, AP)

Dollar Falls as Focus Shifts to Bundesbank

NEW YORK — The dollar fell against the Deutsche mark Wednesday as the market speculated that the Bundesbank would not lower interest rates

"The dollar is weak against everything from Tuesday's close," said Brian O'Rourke,

Foreign Exchange

chief dealer at Sumitomo Trust. There was lot of blood out there, and the wounds haven't healed yet."

In Europe, the dollar was unable to sustain a rally that came after the U.S. Federal Reserve Board raised short-term interest rates Tuesday.

German assets will remain more attractive to investors than those denominated in the U.S. currency because U.S. rates are still lower.

The dollar finished at 1.5516 DM in New York, down from 1.5615 DM on Tuesday. It declined against most other major currencies as well, falling to 100.14 yen from 100.49 yen,

The dollar finished at 5.3275 French francs, down from 5.3540, and fell to 1.3035 Swiss francs from 1.3114 Swiss

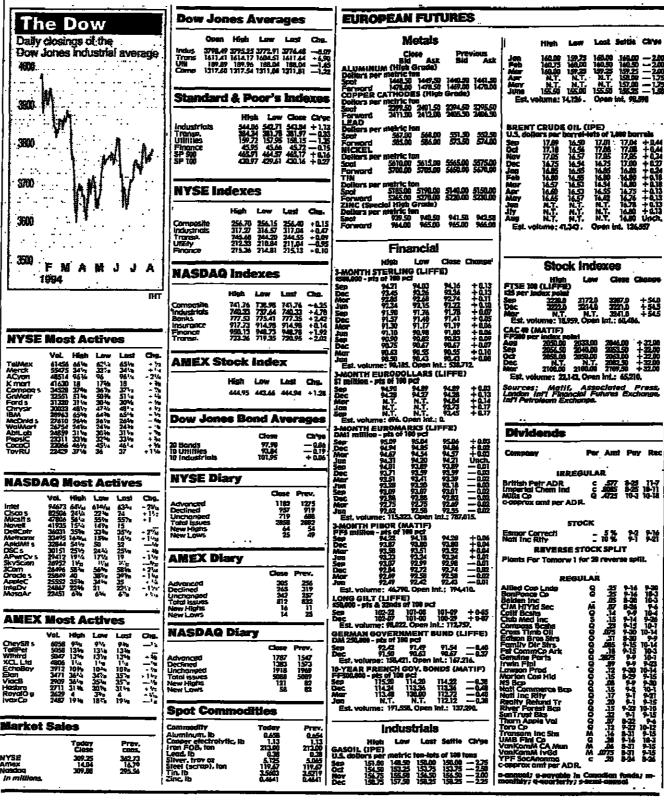
The pound was up to \$1.5415, compared with \$1.5395.

"The rate hike was widely expected, and now we've resumed the downward course of the downward course of the dollar," said Alfonso Alejo, senior proprietary trader at Sa-kura Bank Ltd. The dollar climbed Tuesday after the Federal Reserve raised rates.

Investors reasoned that the Bundesbank would hold rates steady amid mounting evidence that the German economic recovery was strengthening. Faster growth is often accompanied by higher inflation, a prospect the German central bank finds abhorrent.

If the Bundesbank does not act, that will leave Germany's discount rate at 4.5 percent, compared with the 4 percent charged by the Fed.

(Reuters, Bloomberg)



MERGER: American Home Products Buys Cyanamid for \$9.7 Billion

Continued from Page 9

phone call from John Stafford, chairman of American Home. In making the first bid on Aug. 2, Mr. Stafford said his company had been watching Mr. Costello's efforts to make

Cyanamid more profitable. ago, has cut costs and shed unprofitable divisions in an effort a slow-growing chemical con- a merger.

cern to one more rooted in

price rose from a range near \$45 redundant administrative, sales to \$63 at the time of the Ameriand research staffs are consolican Home offer.

Still, analysts have noted that said how much. Mr. Costello, who took the neither company has a signifireins of Cyanamid 18 months cant number of new, potentially to transform the company from size as the main motivation for

The companies did not impharmaceuticals.

This year, Cyanamid got tello would have a position in back in the black after an unprofitable 1993 and its share though job cuts are expected as dated, the companies have not

plans to use debt to finance

up to \$9 billion in credit, according to a filing with the Securities and Exchange Commis-

American Home, based in Madison, New Jersey, had \$8.3 billion in sales in 1993 and \$1.5

billion in profit. Pressure to cut prices from American Home apparently managed care programs set off

(AP, Bloomberg)

U.S./AT THE CLOSE

First Piece of Confederation Life Sold

The state of the s

TORONTO (Reuters) — Sun Life Assurance Co. of Canada said Wednesday it had reached an agreement to purchase Confederation Life Insurance Co.'s U.K. subsidiary, Confederation U.K. Holdings PLC, for an undisclosed amount.

"As a result of this transaction, Confederation U.K. Holdings PLC will become a wholly owned subsidiary of Sun Life of Canada, and policyholders of Confederation Life's U.K. branch will become policyholders of Sun Life of Canada," the company said.

Sun Life is Canada's second-largest insurer. Confederation Life, the country's fourth-biggest insurer, is being liquidated after its collapse and takeover by the Canadian government last week.

Megafoods Files for Reorganization

MESA, Arizona (Reuters) — Megafoods Stores Inc. said Wednesday it had filed for reorganization under Chapter 11 of the

U.S. Bankruptcy code. Megafoods will continue to pay vendors and employees to maintain operations, but is suspending all pre-petition obligations, including debt service, interest expense and payment on

capital leases, the company said. The company, which operates a chain of 71 discount grocery stores, said it was in discussions with its larger bondholders and creditors regarding the reorganization. Megafoods said it had hired accounting from Price Waterhouse & Co. to work with its regular auditors, Coopers & Lybrand.

Minnesota Sues Tobacco Companies

ST. PAUL, Minnesota (AP) - The state of Minnesota and its largest private health insurance company filed a lawsuit Wednesday accusing U.S. tobacco companies of conspiracy, fraud and antitrust violations.

The lawsnit seeks to recover the taxpayers' share of billions of dollars that state residents have paid in smoking related health care costs, according to state officials and Blue Cross and Blue Shield of Minnesota.

The complaint contends that the cigarette companies broke a promise to tell the truth about smoking and health and have mited in a conspiracy to cover up their knowledge about the addictive, lethal qualities of cigarettes. In May, Florida passed a law that will allow the state to file suit on behalf of Medicaid patients who smoke.

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Improving Economy Helps TVA Net

KNOXVILLE, Tennessee (Bloomberg) — Tennessee Valley Authority's net income for the third quarter rose 43 percent on an

Authority's net income for the third quarter rose 43 percent on an improving economy, and above-normal July temperatures, the company said Wednesday.

Net income for the quarter rose to \$67 million, from \$47 million a year ago. Revenue increased to \$1.29 billion, from \$1.25 billion. Nine-month net income rose 1.1 percent to \$273 million, while revenue increased 5 percent to \$3.9 billion.

TVA, a subsidiary of Cattanoog Valley Corp., manages hydroelectric dams, coal plants and nuclear power plants.

Asbestos Settlement Is Approved

NEW YORK (Bloomberg) — A federal judge Wednesday gave final approval to a \$1.3 billion settlement to resolve about 100,000 injury claims in a class-action lawsuit against 20 makers of

asbestos products, the Center for Claims Resolution said. Federal Judge Lowell Reed Ir. approved the settlement, which covers claims against companies including as Amchem Products Inc., Armstrong World Industries Inc., Prizer Inc., GAF Corp., National Gypsum Co. and Union Carbide Corp.

The settlement, reached in negotiations between asbestos liability plaintiffs' lawyers and the center, based in Princeton, New Jersey, allows workers who can show they were injured by asbestos to win of \$2,500 to \$200,000.

For the Record

Bank of Ireland said its U.S. unit Bank of Ireland First Holdings Inc. had agreed to buy Great Bay Bankshares Inc. of New Hampshire for \$52.6 million. (AFX)

Compaq Computer Corp. has broadened its retailer network by signing a distribution agreement with Sears, Roebuck and Co. Sears will sell Compaq's home and small-office personal computers in more than 700 stores.

(Knight-Ridder) cant number of new, potentially plans to use use in much of the purchase. It is works, leaving an increase in working with Chemical Bank in New York to set up a syndicate of the purchase of ITT Corp. said it had raised its stake in Italian company

WORLD STOCK MARKETS Ed., soles 10,006 Turin, soles 9,720 Turin com let 33,072 up 117 SUGAR-MORED 11 0MCSE2 172,000 11,262 4,290,049 11,46 11,78 12,10 9,1740cr 15 11,41 11,90 12,10 14,57 467 5 11,41 11,90 12,10 14,57 467 5 11,41 11,90 12,10 14,57 467 5 11,52 11,40 11,90 12,57 467 11,52 11,40 11,90 12,57 467 11,52 11,40 11,90 12,57 467 11,52 11,40 11,50 11 | Forte | 2.49 | | GEC | 2.79 | | GET | Acc | 2.79 | | GET | Acc | 2.79 | | Get | 2.79 | | Get | 2.79 | | Get | 2.70 | | Grand Met | 4.44 | | GRE | 4.85 | | Guinness | 4.77 | | Guis | 5.73 | | Hanssen | 1.77 | | Histown | 1.77 | | Loudrage | 4.25 | | Hanssen | 4.27 | 1978-21 3014-3 4017-7 177-2 17 7 3474—0.01 12,905 2,674—0.01 12,905 2,674—0.014 39,458 3,729—0.004 11,408 3,669 180 3,459 1,463 3,579, +0,004 2 -37 5,702 -39 34,904 -34 10,807 -30 3,102 -36 1,207 -36 1,207 -36 1,604 -38 1,604 Abitibl Price Aprilos Egge BC Capa BC Telecom BC Telec Paris Accor Air Lieukide 221 E19 Alcarlei Alsthorn 614 665 Axra 260 255.50 Boncoire (Cle) 48.39 473 BilC 1311 1290 BMP 234.99 222 Bouvgues 460 665 Donome 850 334 Carrefour 2855 3240 CAC.F. 172 212.70 Cerus 118.20 117.70 Charbert 148 1377 Club Med 400 291.30 E14.4 Quillaine 415 16 482.40 Euro Disney 600 1645 Euro Disney 647 445.20 Imetal 647 445.20 Imetal 757 577 Labrare Coppee 457.90 447 Alchelin 8 200 247 Alch 2.274 + 8.074 22.025 2.274 + 8.274 22.121 2.374 + 8.024 24.174 2.384 + 6.024 24.174 2.474 + 6.02 7.02 2.474 + 6.02 5.20 2.474 + 6.02 5.20 2.474 + 6.02 5.20 2.474 + 6.02 5.20 Sydney Amzor Anz BHP Bord Bougothville Coles Mret Combico CRA 11 CSR Fosters Brew Goodman Field ICI Australia Micrellan Micrel 9.11 4.68 19.24 4.59 4.59 11.54 11.54 11.55 11.5 Hong Kong Bk East Asia Coffiery Procific Coffiery Procific Coffiery Procific Cheuro Korg Chino Light Perr Chino Chin Chino Chin Chino Chin Chino Chino Chin Chino Chin Chino Chin Chin Chin Chin | H GRADE COPPER (NCAN) 2 2.00 | 11.50 | 10.15 | 10.40 | 11.50 | 12.50 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 10.15 | 10.40 | 11.50 | 10.15 | 10.40 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 | 10.15 +1.40 20,932 +1.15 16,981 +1.15 379 +1.15 379 +1.15 2,964 +1.25 169 +1.25 174 +1.25 174 +1.26 257 +1.26 257 +1.27 257 +1.28 257 +1.29 457 +1.20 457 +1.20 457 +1.20 112 +2.50 3,292 •2.50 12,602 •2.40 11,229 •2.20 3,554 •2.20 5,761 •2.20 5,761 •2.20 1,762 •1.50 127 •1.50 263 COTTON 2 ONCING SAMPLE CONTROL TARE 95.0 CFM AT 6000 FR. 62 CFM AT 600 +12 +18 64_29 +18 33,986 +10 33,986 +10 7,080 +18 23,18 +18 1,163 +02 1,163 +05 2,073 +05 +05 1,25 +0.18 1,868 +0.20 20,735 +0.15 15,394 -0.17 34,697 +0.17 4,737 +0.16 5,364 +0.11 1,869 +0.11 238 +0.12 238 +0.10 1 +0.10 2 Johannesburg AECI 7225 2427 ARISCH 1730 118 Anglo Amer 2456 25 72 Madrid 1,000 3,732 1,007 459 Singapore 5.40 2.10 7.40 7.30 7.40 7.30 7.40 7.30 1.10 11.10 Neove 17.70 17.50 1.40 12.70 1.40 5,736 22,472 + 0,17 14,000 + 0,18 10,000 + 0,18 6,281 + 0,23 1,522 - 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EUROPE

Crédit Suisse Result **Hurts Parent Profit**

Compiled by Our Staff From Dispetches ZURICH - CS Holding cent, to 1.58 billion francs. Balsaid Wednesday that weak results at its Credit Suisse unit drove its first-half profit down volume of loans," the company 19 percent.

The bank holding company said it earned 712 million Swiss francs (\$546 million) in the first 221 million francs. haif on revenue of 5.4 billion francs, down from 6.5 billion

Income from trading in curfrancs. Volatile markets also have made that sector a blot on the balance sheets of most of CS Holding's competitors.

Trading operations contrib-uted 23.5 percent to CS's gross income, down from 34.5 per-cent in the first half of 1993.

Commissions were the major source of revenue, making up 38.6 percent of gross income. But commission income fell 6.5 percent, to 2.09 billion francs, led by a sharp drop in commis-sion income at CS's U.S. subsidiary, CS First Boston.

Swiss Bank Stock Skids

Compiled by Our Stuff From Dispatches

ZURICH — Swiss Bank Corp. said Wednesday it had submitted takeover bids for three regional banks, at the same time the company's stock was plunging as analysts scaled back their earnings expectations for the full year.

Swiss Bank said it planned to take over Bank Langenthal, Nene Emme Bank and Credit Agricole & Industriel de la Broye known as CAIB. Swiss Bank said the acquisitions would allow it to "keep pace with structural change in Switzerland's banking industry."

But investors bailed out of Swiss Bank stock, disappointed with the 39 percent drop in first-half profit the bank reported Tuesday. Swiss Bank shares finished at 378 Swiss francs (\$290), down 19 francs.

(AFX, Bloomberg)

Interest income fell 5.5 perance sheet business was marked by "continual stagnation in the

Income from investments in companies rose 160 percent, to

But the banking corporation predicted stronger results for the second half and full year.

"Now that the economic rerencies, precious metals, securi- covery is gaining in strength ties and interest rate instruments " and the financial markets seem fell 43 percent, to 1.27 billion to be returning to normal, CS Holding is confident that the full-year figures for 1994 will be good," it said.

The half-year results were within expectations, and CS Holding's bearer shares rose to 549 francs Wednesday from 531 francs.

We think they made better estimates about the development of interest rates than other banks," said Chrisoph Bieri, banking analyst at Zuercher Kantonalbank.

■ Jyske Bank Posts Loss

(Bloomberg, Reuters)

dorf, and Jyske Bank AS, in Copenhagen, said volatile mar-kets sliced into their profits, Renters reported.

Westdentsche said its operating profit was 290.2 million Deutsche marks (\$186 million) in the first half, down from 312.3 million DM in the first half of 1993.

Trading income fell 83 percent, to 33.4 million DM, because of the "unfavorable bond market" and securities writedowns at the end of June, the bank said.

The bank's interest income rose to 1.63 billion DM from 1.55 billion DM, while income from commissions slipped to 263.9 milion DM from 266.4 milion DM.

Jyske Bank posted a first-half loss of 50 million kroner (\$8 million) because of a decline in the value of its bond portfolio. Otherwise, the bank said, earnings improved.

.. Jyske said it stood by its previous forecast for full-year earnings of 200 million kroner to 300 illion knoner because of stabilizing interest rates.

In the first half of 1993, the bank had profit of 378 million

The Sweet Smell of Cologne Wella Strategy Tries to Revive 4711 Scent

FRANKFURT - Sweating in the heat of a high-ozone summer, an Austrian tourist, Heinz Walther, selected a bottle of 4711 eau de cologne from the perfume counter of

Prankfurt's largest department store.

"I'll take three bottles," the 56-year-old lawyer told the clerk as he dabbed his fore-

head with the sweet-smelling substance. Mr. Walther — middle-aged, foreign and sentimentally attached to the 200-year-old fragrance — is a typical customer for 4711. the original made-in-Cologne perfumed water that gave birth to the generic product called can de cologne.

Despite its core of loyal customers, sales of 4711 slipped 20 percent over the past decade, analysts said. Mülhens KG, which has made 4711 since a Carthusian monk gave Wilhelm Mülhens the formula as a wedding present in 1792, now relies on perfumes named after the actress Priscilla Presley and the tennis star Gabriela Sabatini for most of its income.

That may be about to change. Mülhens was acquired in July by the international hair-care giant Wella AG, and the companies are mapping a strategy to revive 4711, one of the oldest brand names in the world.

body gels and lotion. In five years, Lothar M. Hawel, chief executive of Mühlens, said, he expects sales of 4711-branded products to double to 140 million DM (\$90 million) a

"4711 is the most valuable asset in the Mülhens company," said Peter Zühlsdorff, Wella's chief executive. "It is also the most challenging and will take the longest to develop."

Mulhens intermittently tried to rejuvenate 4711 itself. Two years ago, it used a television advertising campaign to try to woo younger buyers. But a feud between Mülhens' owners, cousins Dieter Streve-Mülhens and Ferdinand Mülhens, overshadowed the new strategy.

Though the privately held company does not release specific figures, analysts estimate that Mülhens lost around 20 million Deutsche

marks (\$13 million) in 1992 and 1993.

The cousins finally parted for good by selling out to Wella for what analysts estimate was 250 million DM. Wella's interest in the company surprised analysts, some of whom remain skeptical that the takeover is a good move.

But Mr. Hawel said: "Mülhens has one of the best-known brands in the world. Wella has the organization, the distribution and the support systems. Wherever we have been able to Mulhens already has introduced lines of market the product, we have been successful."

Westdeutsche Landesbank Ginozentrale AG, in Ditsseldorf, and backs Rent AS in

million guilders (\$114 million) for Harrisons & Crosfield 41.40. PLC's three breakfast-cereal Nestlé Expands in Spain plants, which would give it a 10 percent share of the European cereal market.

The purchase, which is expected to be completed by Aug. 24, is expected to increase BolsWessanen's profit as early s this year, the Dutch food and

beverage company said.
The acquisition includes Telford Foods, with plants in the English towns of Telford and Market Harborough, and H&C Cereals, based in Faverolles,

Dutch analysts said they were pleased to see that the acquisition would lift BolsWessancn's profit.

"It's another positive signal to the market that they will add something to their profit this year," said Agatho van Hilst, head of research at the Dutch brokerage Amstgeld NV.

Shares in BolsWessanen, the company created from a merger

Compiled by Our Stuff From Disputches between the beverage company Nestle did not disclose the AMSTERDAM — Royal Koninklijke Distileerderijen amount it would pay for Socie-Bols Wessanen NV said Bols NV and the food producer dad Anonima de Alimentación, Wednesday it would pay 200 Wessanen NV early last year, which operates under the traderose to 41.70 guilders from marks Miko, Avidesa and Cas-

Nestlé SA said Wednesday it had agreed to buy Banco Bilbao Vizcaya SA's ice cream and frozen food units, AFP-Extel tas (\$269 million), has been esti-News reported from Madrid.

Nestle did not disclose the (Bloomberg, AFX) tillo de Marcilla.

> Nestlé said the value of these companies, which have annual sales of around 35 billion pesemated at 40 billion pesetas.

Nedlloyd Shares Drop 9%

AMSTERDAM -- Royal Nedlloyd Groep NV, one of the world's largest transport companies, plunged 9 percent on the Dutch stock exchange Wednesday after the company reported disappointing second-quarter earnings.

The company said it swung into profit, posting secondquarter earnings of 25 million guilders (\$14 million) after a net loss of 30 million guilders a year earlier. It cited cost-cutting measures as well as increased volume.

The company said it expected second-half earnings to be at least in line with its first-half result. But analysts said investors had been looking for a net profit

of between 25 million and 55 million guilders. The shares fell 6.4 guilders to 64.60, the biggest loser in an otherwise upbeat

ABB Net Rose 31% In 1st Half

ZURICH - ABB Asea Brown Boveri Ltd., a Swiss-Swedish heavy engineering company, said Wednesday that first-half profit rose 31 percent to \$322 million as cost-cutting and restructuring measures

took hold. Brown Boveri Corp., ABB's Swiss-based parent company, said its first-half profit rose 12.5 percent, to 207 million Swiss francs (\$158 million). Asea Brown Boveri AB, the Swedish parent company, posted a 27 percent rise in first-half profit to 2.33 billion kronor (\$298 mil-

Sales were little changed at \$13.1 billion in the first six months, and operating profit rose 19 percent to \$1.12 billion.

"Cost-cutting and restructuring measures initiated in recent years, especially those carried out in 1993, are now having a positive impact on earnings," ABB said.

ABB said orders rose 3 percent to \$15.48 billion, "Demand for industrial products in Europe and North America is gradually improving, but the full impact of the upturn in investment goods will not be felt until next year," ABB said. It said it expected an improvement in full-year earnings but gave no further details.

"ABB is now the only large cyclical stock in Switzerland which has achieved a genuine turnaround," said Patrick Frei at Union Bank of Switzerland. (Bloomberg, Reuters)

■ BICC Returns to Profit

BICC PLC, the British cables and construction group, re-turned to growth with a 26 percent increase in first-half pretax profit, to £63 million (\$97 million), Bloomberg Business News reported from London.

The company cited continued cost-cutting, a rise in de-mand in North America and Britain and strengthening British exports.

"Continental European cable markets remained difficult in the first half, and margins in the U.K. construction sector continue to be under severe pressure despite signs of volume recovery in parts of that market," said Robin Biggam, the chairman.

Investor's Europe London Paris FTSE 100 Index CAC 40 Exchange

AEX... 417.80 417.07 +0.18 Amsterdam Stock Index 7,633.49 7,605.45 +0.37 Brusseis DAX 2,162.29 2,148.14 +0.89 FAZ 820.24 611.98 +1.02 FAZ 820.24 811.98 +1.02 HEX 1,813.48 1,820.99 -0,41 Helsinia Financial Times 30 2,502.50 2,474.60 +1.13 FTSE 100 \$,190.80 3,147.30 +1.37 London General Index 311.02 310.47 +0.18 Madrid MIBTEL 10,235.00 10,394,00 -1.53 Stock Index ' 461.21 457.18 +0.88

Very briefly:

Zurich

SBS

The European Commission is examining plans by News International PLC, a subsidiary of News Corp., to acquire a stake in the German television station Vox.

927.78

924.62

+0.34

• Bombardier Inc., the Canadian aviation group, holds 3.35 percent of the capital of Eurotunnel, directly and indirectly, the French Exchanges Association announced.

Finland's unemployment rate rose to 20.1 percent of the work force in July from 19.9 percent in June.

Russia has agreed to grant Moldova a loan to help it pay debts incurred on gas purchases from Russia in 1993. Russian government sources said that Moscow had agreed to honor Moldova's request for a credit of 150 billion rubles (\$70.8 million).

Chargeurs SA, a French textile and communications company. said sales in the second quarter totaled 2.68 billion French francs (\$501 million), up 18 percent from a year earlier.

Publicis SA, France's largest advertising company, said sales grew 14 percent in the second quarter, to 5.46 billion francs.

Moscow Broaches Debt Cutback

The Associated Press

MOSCOW - Foreign creditors should forgive at least part of Russia's massive debts in recognition of its continue in to disarmament, a top economic official said Wedneso

"For Bulgaria and Poland, half the debts were a raten off. Why not do the same for Russia?" said Oleg Davydov, the minister of foreign economic relations.

Mr. Davydov said Russia's creditors should reward its contribution to stability in Europe, which came at significant cost.
"Who's counting up Russia's losses just from pulling its troops out?" he said.

His comments contrasted with the position Russia so far has maintained in debt talks, in which it has insisted on rescheduling but not sought forgiveness of debt. Russia's debts are believed to total about \$80 billion.

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SAS Reaches Profit on Cost-Cutting

Compiled by Our Staff From Dispatches STOCKHOLM -- Scandina-

vian Airlines System said Wednesday it returned to profitability in the first half of 1994. with pretax earnings of 617 mil-lion Swedish kronor (\$78 million), after a pretax loss of 609 million kronor a year earlier.

The company attributed the sharp reversal to progress in cost-cutting, a 3.46 billion kronor reduction of debt to 30.47 billion kronor, one-time gains from a unit sale and currency fluctuations and a stronger market for business travel.

Sales, which includes revenues from the airline, SAS International Hotels, SAS Service Partner and Diners Club Nordic, rose in the six-month period to 19.28 billion kronor from 18.96 billion kronor.

Jan Stenberg, chief executive, said the results were better than expected and he reiterated his forecast of a profit for the year. The company reported a pre-tax loss of 101 million kronor in

change rates. The profit for the first six months included several onetime gains and charges.

The first-half gains included a one-time gain of 374 million kroof 130 million kronor.

million kronor, primarily at-tributable to early retirement packages offered to cut the labor force.

depreciation.

the first quarter. Mr. Stenberg declined to

make specific projections about

311 million kronor because the company changed it method of

When adjusted for foreign exchange fluctuations, revenues from air traffic operations rose

the number of business passen-

the size of the company's anticipated profits for the full year, citing volatility in currency ex-

nor from the sale of the company's SAS Leisure unit and net gains from currency fluctuations The results included a onetime restructuring charge of 274

The six-month figure also in-cluded an additional charge of

8 percent in the latest period, largely because of an increase in

Danske Luftfartselskab AS in Denmark.

(Bloomberg, Reuters) ■ Elkem Profit Rises The Norwegian industrials and metals group Elkem AS re-ported first-half pretax profit of 139 million Norwegian kroner

is owned by Svensk Interkon-tinental Lufttrafik AB in Swe-

den, Det Norske Luftsartsels-kap AS in Norway, and Det

lion kroner a year earlier. Knight-Ridder reported from London. Net sales for the first halfyear totaled 4.41 billion kroner. after 3.78 billion kroner in the

(\$20 million), up from 61 mil-

1993 period. Income from operations to-taled 243 million kroner, comprising 109 million kroner in the first quarter and 134 million

kroner in the second quarter. Elkem said demand for most of its main products during the first half of 1994 was "slightly positive," in particular the aluminum market.

Saudis Plan Sale of Large Conglomerate

RIYADH — Saudi Arabia plans to gradually sell off most of its shares in its industrial conglomerate, Saudi Basic Industries Corp., a government minister was quoted Wednesday

as saying. The industry and elec-tricity minister, Abdulaziz Abdullah Zamel, told the Saudi daily Al Equisadiah that the government planned to keep 25 percent and sell the rest to the private sector in Saudi Arabia and other Gulf Arab states.

The process will take place in stages of 10 percent. The government owns

70 percent. The publicly traded company reported a jump of more than 50 percent in profit for the first half of 1994, to 1.35 billion rivals (\$360 million).

${f CHINA:}$ Shanghai Entrepreneurs Travel to Outer Limits of Beijing's Reach

Continued from Page 9

next stage of expansion and much more after that," said Jin Fan Nan, an executive with Shanghai Tire & Rubber, China's dominant radial tiremaker. The money has to come from

somewhere."
As China comes closer to joining the General Agreement on Tariffs and Trade, manufacturers such as Shanghai Tire will lose protection from imports and foreign manufacturers establishing beachheads in their territory.

Shanghai Tire has responded by establishing a research center in Akron to improve its quality and reduce manufacturing costs, while embarking on an expansion plan that will see

Akron is the home of Goodyear Tire & Rubber Co., the world's largest maker of rubber products. Shanghai Tire's over-

tires next year, but that output remains small in international Frustrated in its bid to raise money by turning a 9.5 percent stake in the company directly owned by the state into A shares owned by Chinese individuals, Shanghai Tire also wants to issue a bond convert-ible into its B shares. It still

all production will hit 7 million

which has approached the concept cautiously. "If we are going to remain

awaits approval from Beijing,

flexibility from the authorities," said Mr. Jin in speaking of the state share conversion and convertible bond proposals. "We want to work with foreign tire companies as partners on future projects, not be taken over by

Across town, a cash-heavy Shanghai Phoenix Bicycle, which produced 5 million last year, is building a plant in Ghana, developing motorized bikes and starting to produce scooters designed by Suzuki with belp from Taiwan.

by expanding into new prod-ucts and other areas of China. profitable industries.

it enlarge radial-tire capacity independent and competitive in Until recently, few Chinese fivefold by 1997. Until recently, few Chinese the future, we will need greater companies were allowed to expand beyond their geographic state sector body was also national in scope.

Local protectionism once would have stymied Shanghai Phoenix's plan to buy more factories around China, but now, according to Zhou Jingen, chairman and general manager. "capable companies are being encouraged to take over the ail-

Local governments that tend to worry about maintaining political influence employment It, too, is testing old barriers and tax revenue are loathe to

TYCOON: Gordon Wu Moves From Real Estate to Asian Infrastructure

district where the round, dirtywhite Hopewell Office tower

larger property and construc-

tion firms.

His father started as a taxi driver and assembled a fleet of 378 taxis before he named to building one of Hong Kong's

began their steep upward spiral. When China cracked open the door to outside investment

ty. He returned to Hong Kong In December, Hopewell projects. to earn his certification as an Holdings, which showed a prof-

it of \$267 million last year, up 25 percent from 1992, spun off Like many other Hong Kong 25 percent from 1992, spun off developers. Mr. Wu flourished a subsidiary, consolidated Elecin the 1970s as property prices tric Power Asia, as a publicly listed company to manage power projects, while retaining a 44.5 percent stake.

neering at Princeton Universi- career in Asian infrastructure, the range of his infrastructure

Although big U.S. power development companies active in Asia, such as Mission Energy Co., AES Corp. and Enron Corp., compete for power projects, no one else has tried to muscle into highway building in

After a rigorous education in 1979, Mr. Wu was one of the Mr. Wu has no competitors Mr. Wu's power projects, provided by Irish Jesuits, the first over the threshold, moving among Hong Kong's major while long in gestation, are now younger Mr. Wu studied engi- from property developer to a hongs, or conglomerates, across seen as prescient. Mr. Wu's power projects,

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China Plans Liquidation Of Failing **Companies**

BEIJING — The govern-ment said Wednesday it would declare several state-run companies in 18 cities bankrupt in the second half of the year, despite high inflation and rising

unemployment.
Statistics released Wednesday showed retail prices rose 21.4 percent in the year to July, up from 20 percent through June, and the government said Tuesday there might be as many as 268 million Chinese unemployed by 2000.

Nonetheless, the government said failing state-run companies would be declared bankrupt.

"Starting in the second half of this year, we will enlarge the implementation of the bankruptcy law," the government said in the official Economic Information Daily. "Those firms whose debts are larger than their assets, who have no hope of getting out of the red and whose goods have no future must be declared bankrupt."

The bankruptcy law was passed in 1986 but has rarely been implemented for state companies because of opposition from workers, banks and local governments.

The government has set aside 7.0 billion yuan (\$814 million) in a special bankruptcy fund to help cover losses of banks

Economists said they doubted the government could carry out the program because of the high inflation and the millions of people who are already without work or trying to live on

subsistence wages.
The Labor Ministry said China must create 68 million urban jobs between now and the end of this century, and it said it faced an additional labor surplus of 10 million workers at state companies and nearly 200 million farm workers. (Reuters, Bloomberg)

Sony: Power in Weakness Amid Dull Earnings, an Exciting Outlook

By Anthony Ramirez New York Times Service

NEW YORK - The news will not be good for Sony Corp. when it reports first-quarter earnings Thursday. Analysts expect something close to the 33 percent drop in fourthquarter earnings it reported in May. The yen remains near postwar highs. More-

over, Japan and Europe are only slowly emerging from recession, and that means fewer sales of Walkmen, compact disks and tickets to movies from Sony's Columbia Studios. So why does Sony's stock price continue to perform at levels not far below its high of 6,400 yen (\$63.87) reached in June? Sony gained 30 yen in Tokyo on Wednesday to close at 5,980 yen, more than 1,000 yen above

levels of late last year. One major reason is the legacy of "Last Action Hero," Columbia Studios' costly flop of 1993 that starred Arnold Schwarzenegger. The absence of such a box-office disaster in 1994 is bound to improve Sony's prospects.

Sony did not disclose the size of its write-off on "Last Action Hero," but Takatoshi Yamamoto, an analyst for Morgan Stanley & Co. in Tokyo, has estimated the operating loss for Columbia and other studios in Sony's

movie group as high as 20 billion yen.
But beyond that, "we believe the long-term outlook for the company is very good, although the short-term outlook is likely to be dismal," said Barry Dargan, a technology analyst for S.G. Warburg Securities in Tokyo. who recommends the stock.

A survey by Zacks Investment Research

inc. of analysts who follow Sony found their median forecast for Thursday's results was 15 yen a share, down from 37 yen a share a year earlier. But analysts expect Sony's earnings for the year ending March 31, 1995, to be 94

yen a share, compared with 80.4 yen a share in the previous year. Those earnings totaled 36.26 billion yen on sales of 4 trillion yen.

Mr. Dargan said that all Sony had to do was return to historical levels of profit, a libely trend and it mould be compared apparatus. likely trend, and it would be earning substantially more money. Fiscal 1994 profit margins for music and movies were only 3.1 percent, he said, less than half the 1993 level of 7.2

Sony's hardware - camcorders and the like, as opposed to movies and music - might languish for years at their 1994 profit margin of 2.9 percent (up from 2.5 percent in 1993) and Sony could still profit, Mr. Dargan said. But even in hardware, Sony is likely to come out a winner, said Eriko Yatabe, a credit analyst at Moody's Investors Service Inc. in

New York. A major industry consolidation is likely, Ms. Yatabe said, and Sony is sure to be a survivor. Sony can spend trillions of yen on research and development to create products that will make it more competitive.

By mid-1995, according to Jeffrey L. Pittsburg of Goldis-Pittsburg Institutional Services in Garden City, New York, Sony stock in the United States could reach the low 70s from its current range below \$60.
"Sony's not cheap," Mr. Pittsburg said.

but it's quite a reasonable stock that ought to be bought on weakness, and it's weak now."

Rental Income Drives Wharf Profit

HONG KONG — Revenue rom leases at a major new of-ice and shopping complex lars from 31.00. upiled by Our Staff From Dispatches from leases at a major new office and shopping complex helped send net profit at Wharf (Holdings) Ltd. up 26 percent in the first half of 1994, the

company said Wednesday. The conglomerate carned 1.74 billion Hong Kong dollars (\$225 million) in the six months, up from 1.38 billion dollars in the 1993 first half, as revenue soared to 4.0 billion dollars from 2.5 billion dollars.

Wharf also raised its firsthalf dividend to 22 cents a share

from 19 cents, and shareholders

Wharf said its 2 millionsquare-foot (186,000-squaremeter) Times Square complex in Hong Kong's Causeway Bay commercial district had been "hugely successful."

Gonzaga Li, chairman and chief executive of Wharf, said the company was set to repeat the success of Times Square with the redevelopment of its Harbor City complex in Hong Kong's Tsim Sha Tsui district.

Mr. Li said that development, which has been renamed the Gateway, was particularly attractive to companies seeking an alternative to the increasing office rents in the central dis-

Wharf, which has real-estate, hotel, port, transport and cabletelevision interests, is controlled by the Pao family through Wheelock & Co. Wheelock owns about 44 percent of Wharf.

Despite the half-year increase. some analysts said they expected losses at Wharf's cable-television division to hold back profit growth for the next few years.

"The results are largely in line with our forecast," Samuel Lau, director of Seapower Research. "But expected strong rental income will likely keep growth at reasonable levels only, as prospects of its cable unit aren't that promising. There's not much chance of sharp jumps in earnings in the next couple of years."

(Bloomberg, Reuters)

Australia Pushes Interest Rates Up

SYDNEY - The Reserve years on Wednesday, a move described as a preemptive strike age people to believe the recovagainst inflation in one of the cry will be longer." he said. industrialized world's fastestgrowing economies.

Although the rise in its benchmark rate to 5.5 percent from 4.75 percent came just a day after a half-point increase in U.S. interest rates. Australian officials sought to distance themselves from the fifth rise in U.S. rates this year.

"Although the timing of the move has been influenced by the latest rise in U.S. interest by the marked turnaround in Australia's domestic economic conditions," the bank said.

"The decision to increase had been determined primarily. overwhelmingly, by the needs of our domestic economy, not by the increase in the U.S." said Ralph Willis, the country's treasurer.

Although a rise had been widely expected, many traders had said the central bank would probably wait until its Sept. 6

board meeting.

Bond prices surged, with 10year bond futures closing at nearly a three-month high, as investors focused on the prospect of continued low inflation. The stock exchange's All Ordinaries Index rose 19.5 points to end at 2,059.5, led by bluechip stocks.

"At long last, the big black cloud of uncertainty over a hike in interest rates has disappeared over the horizon," said Simon Bond, a broker with ANZ McCaughan. The Australian dollar ended slightly weaker at 74.26 cents after an initial rally.

"It will help re-establish in the market's mind the Reserve Bank's anti-inflation credibility," said John Larum, chief economist at SBC Australia.

Prime Minister Paul Keating said the rise would not take the steam out of the economic recovery and would show global investors that inflation was under control. 'I think it will encourage the

investing community to believe inflation is truly in check in Bank of Australia aised inter- Australia, that we'll maintain est rates for the first time in five our competitiveness and if anything I think it will just encour-

Australia has benefited from a delicate mix of low inflation and robust economic growth for more than a year, and government and central bank officials have stressed the need to keep conditions that way as the world economy strengthens.

The tightening in credit. which is expected to show up in higher mortgage rates within three months, followed a string of strong economic reports inrates, the move itself is driven cluding a sharp rise in July job growth and a slide in the unemployment rate to a three yearlow of 9.5 percent. (Reuters, Bloomberg)

Goodman

Want Talks Compiled by Our Staff From Dispatch SYDNEY - Dissident

Dissidents

shareholders of Goodman Fielder Ltd. said Wednesday they had requested a special meeting to try to change Goodman's board. The shareholders include Australian Mutual Provi-

dent Society, the New South Wales State Authorities Superannuation Board, Bankers Trust Australia and Agrifood Australia. On Tuesday, the holders rejected a plan by Good-

board. The shareholders want the meeting to consider removing seven directors, including John Studdy, the company's chairman.

man directors to reshape its

Goodman's shares closed at 1.39 Australian dollars (\$1.03), up 0.05. (Reuters, Bloomberg)

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Very briefly:

Investor's Asia

Singapore

 Qingling Motors shares shot up nearly 33 percent in Hong Kong on their first day of trading, finishing at 2.75 Hong Kong dollars (36 cents); analysts cited a low offering price of nine times anticipated 1994 per-share earnings.

• TI-Acer Inc. said it obtained financing for a \$400 million plant expansion and planned to start test production of a line of advanced computer chips by next July.

• Jardine Fleming Securities said it expected higher interest rates in the United States to encourage higher stock prices in Thailand. Malaysia and Singapore.

 South Korean publicly traded companies earned 76 percent more money in the first half of this year than in the 1993 first half. their biggest gain since 1987.

 Hunter Douglas NV, a Dutch window-covering company, plans to open a second plant in Shenzhen, China.

• China National Offshore Oil Corp. has signed a contract with two U.S. companies, Kerr-McGee Corp. and Murphy Oil Corp., to prospect and develop oil in Bohai Bay.

 Japan Telecom Ltd. has set a minimum tender price of 2.410,000 yen (\$24,000) a share for its initial public offering of shares, to be held this month.

 Marubeni Corp., Sumitomo Corp. and Mitsubishi Corp. said they won separate orders to supply Indonesia's power authority. PL PLN, with thermal power plants.

 Genting Bhd. and Resorts World Bhd., which operate the only casino in Malaysia, said their earnings rose in the first half, with Genting profit rising 19 percent to 564.2 million ringgit (\$220 million) and Resorts profit rising 17 percent to 406.4 million Bloomberg, Knight-Rudder, 4FX, 4P

Brownouts Return to Manila Area As Philippine Power Reserves Fall

MANILA — Philippine power reserves have dropped to uncomfortably low levels, leaving Manila vulnerable again to power cuts similar to those that gripped the nation last year.

officials said Wednesday.

Slim reserves combined with the loss of a major transmission line in Luzon island have triggered 30-minute brownave triggered 30-minute brownouts around Manila since Monday, officials of National Power Corp. said.

"The situation is vulnerable," Energy Secretary Dellin Lazaro said.

Power reserves in Luzon have fallen since the Malaya plant near Manila was shut down for cleaning after one of its tanks spilled 7,000 barrels of fuel oil into Laguna lake last mouth.

On September 21st, the IHT will publish the first in a two-part series of Special Reports on

Infrastructure and Development

Among the topics to be covered are:

■ The link between infrastructure projects and living standards in Asia.

China's Three Gorges dam, the world's largest hydropower project.

■ The \$20 billion Hong Kong airport. Power plants, road building and other projects in Indonesia.

An extra 1,000 copies of the supplement will be distributed in Jakarta on October 17th at the World Infrastructure Fourm - Asia 1994, to which the IHT has been appointed the Official Publication.

For further information, please contact Bill Mahder in Paris at (33-1) 46 37 93 78, fax: (33-1) 46 37 50 44.

Herald Tribune

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Review of the **Valuation Office Agency**

The Chancellor of the Exchequer recently announced a review of the Agency status of the Inland Revenue's Valuation Office, in line with the normal arrangements for reviewing Next Steps Agencies after three years. The performance of the Valuation Office will be evaluated and its activities subjected to the normal "prior options" tests set out in the 1993 "Next Steps Review" (Cm 2430).

These tests comprise consideration of:

whether there is a continuing need for the activity at all

privatisation of the whole organisation or activity

contracting out all or part of a service

Comments and contributions from those with an interest in the Valuation Office and its work, from both the public and private sectors and from individuals, would be These should be sent by 30th September 1994 to:

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Wednesday's Closing
Tables include the nationwide prices up to
the closing on Wall Street and do not reflec
tlate trades elsewhere. Via The Associated Press

| 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5

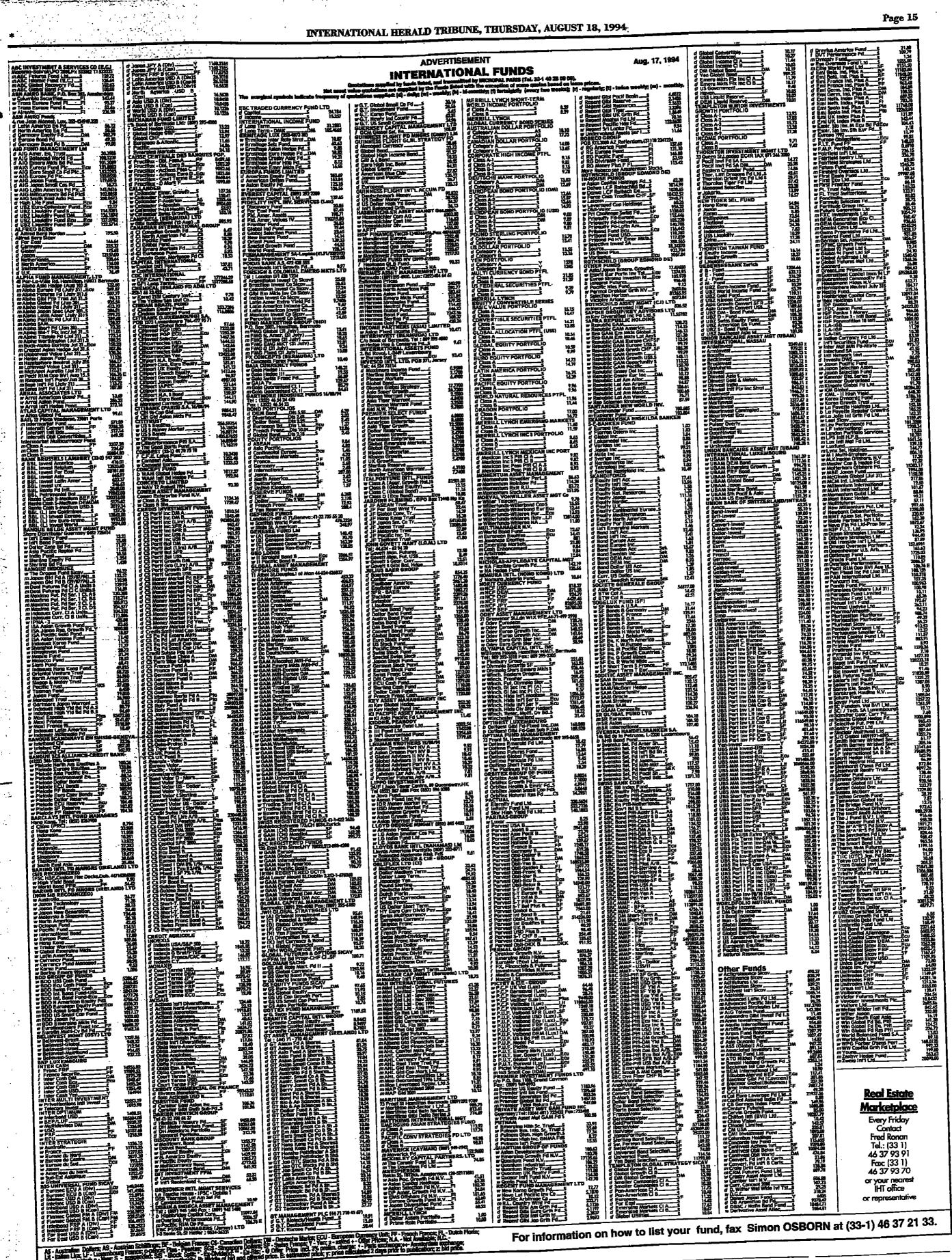
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SPORTS

Baseball Owners Rule Out Idea Of Replacements

jor League Baseball strike headed into its sixth day, baseball owners ruled out using replacements for striking players.

"It's not something anybody has considered seriously at all. It's not about to happen," the owners' negotiator, Richard Ravitch, said in an interview. "Both the players and the owners found that in football the public wasn't terribly interest-

Replacement players were used by National Football League owners during the pro football strike of 1987. Teams used replacements for three weeks and broke the union's resolve as many prominent players returned.

But baseball teams play six times a week instead of once, making it more expensive to open stadiums if crowds and television ratings are small.

Ravitch said the situations of the NFL and major league baseball weren't comparable.

Bud Selig, the executive council chairman, speaking by telephone from his office in Milwaukee, agreed with Ra-vitch's view that replacement players wouldn't be a solution for baseball owners.

Going into the sixth day of the strike Wednesday, a total of 74 games have been canceled

If there's no settlement by Friday, — and a quick deal doesn't appear likely — the strike would become baseball's second-longest in terms of canceled games. The 1981 strike erased 712 games.

Players and owners are prepared not to come back this season. The Toronto Blue Jays held their end-of-season organizational meetings Tuesday.

"In some ways, I guess it did feel like the end of the season, but we were just taking advan-tage of available time," said the team's assistant general manag-

er, Gord Ash, "We all want to NEW YORK - As the Ma- see a completion to the season, but those of us who went through this in '81 are aware there are different phases. This is, one of the hardest."

No new talks are scheduled, but Ravitch said the federal mediators probably would call a meeting for later in the week. The head of the players' union, Donald Fehr, spent the day in Washington, lobbying congressmen on the latest attempt to pass a bill removing baseball's antitrust exemption. (AP, Reuters)

■ Fans Seek Court Action

A group of fans, saying the Atlanta Braves sold them season tickets under false pre-tenses, have filed a lawsuit to recover the cost of the tickets, along with \$5 million in punitive damages, The Associated Press reported from Atlanta.

"They're holding the fans hostage," said Bert Erling, an Atlanta businessman who is one of the plaintiffs in the suit filed against the Braves, Major League Baseball and the striking players' association.

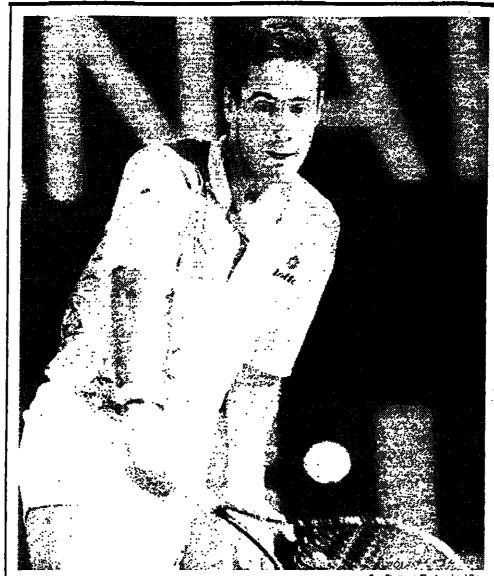
The plaintiffs want to recover the cost of the tickets for the entire season, including games already played.

Erling said the Braves had not yet been served with the lawsuit. The Braves have offered refunds to season ticket holders for canceled games.

The lawsuit says that because the team knew the season was likely to be disrupted, selling tickets with the promise of a full season constituted racketeering.

In Jacksonville, Florida, a lawsuit filed on behalf of fans and sports bar owners in an attempt to stop the baseball strike has been dropped, the at-torney for the group, Mark Rubin, said. It was decided to drop the suit after the players association threatened to seek legal fees and costs if the plaintiffs lost, Rubin said.

PEANUTS



Alex Corretja, on the way to defeating Jim Courier, who made 42 unforced errors.

2 Coups for Tennis No-Names

Compiled by Our Staff From Dispatches The final arrived early for Jim Courier, who lost to Alex Corretja of Spain in the second round of the RCA Championships in Indianapolis. Courier, 10th-ranked and seeded fifth at the tournament he won last year, said he might even skip the U.S. Open after falling, 1-6, 6-4, 6-3, to 20-year-old Corretja,

ranked 43rd. After the match, Courier said he is taking a break from tennis until he is properly motivated to return to the sport.

Meanwhile, in New Haven, Connecticut. Andre Agassi was upset — by rock music being played during changeovers and by Jan Siemerink of the Netherlands, 6-3 3-6 6-3 -

in the second round of the Volvo International Tennis Tournament. Agassi blasted "circus conditions" of an ATP experiment that allows the playing of music between games and he asked that it be stopped.

But the music played on. "That was an embarrassment to tennis out

there tonight," an infuriated Agassi said later. "It was a joke and it scars the game. What are they doing, turning tennis into some kind of circus? If it comes to this, playing music between games, then it's all over for tennis. Siemerink, ranked 113th, is coming off a

two-month layoff because of a knee injury but he dominated the match with his strong (AP, NYT)

How About Arbitration For Earlier Free Agency?

By Murray Chass ... New York Times Service

As a blockbuster, it could rival the trade of Harvey Kuenn for Rocky Colavito or Fred McGriff and Tony Fernandez for Joe Carter and Roberto Alomar. How about a trade more in keeping with these

times: salary arbitration for earlier free agency. It might not be as sexy as those other swaps, but if the disputatious owners and players want to extricate themselves from the quagmine of their stalled talks for a new collective bargaining agreement, the elimination of the arbitration process the owners hate so intensely and a change in the free-agent eligibility rules could be a place to start.

Negotiators for the two sides didn't talk to each other Tuesday, extending to four days their nontalk streak. It's the only streak going, and it's only one day less than the strike itself.

The fifth day of the strike, which forced the cancellation of 14 more games for a total of 60 lost, also passed without a conference call among the owners. One owner, speaking on the condi-tion of anonymity, said he didn't understand how the leadership could let two days elapse without any communication.

The owner said that while there was sentiment among some owners to get things moving and attempt to find a solution to the stalemate, the low-revenue clubs remained firm in their insistence that management stick to its salary cap

Richard Ravitch, the owners' chief labor execntive, has made it clear the proposal is staying right there. Basically, when he is asked about the arbitration-free agency exchange that some people in baseball have talked about privately, he says, "Salary cap."
When Donald Fehr, the players' labor leader,

was asked the other day about it, he was more "If that proposal ever were made, obviously the players would have to look hard at it," he

"That has been an obvious proposal clubs could have made any time since 1976. They have never made that proposal. The reason why is they understand their complaints about salary arbitration are nonsense. The salaries of players in arbitration are no higher than salaries of free

Fehr noted that the committee that studied baseball's economics in great depth two years ago recommended that eligibility for free agency be reduced from six years of major league service to three years. Such a change would eliminate mandatory arbitration, but the committee recommended that the procedure be retained for

use by clubs and players who agree to it. Clubs long have hated arbitration because of the uncertainty of arbitrators' decisions. They would love to get rid of it, but the players

wouldn't relinquish it without getting something significant in return. It would not be enough for the owners to agree to withdraw the salary cap proposal in exchange for the elimination of arbitration.

But it might not be enough either to offer to reduce eligibility for free agency to three years.

One person who represents players, speaking on the condition he not be identified, said he

viewed arbitration as a problem and suggested it should be diminated or altered significantly to

make it more predictable and dilute the escalation in salaries it has produced.

But Richard Moss, one of the first people who represented players, said he opposed the swap of

arbitration for earlier free agency. "Salary arbitration is what keeps the system honest," he said Tuesday, speaking by telephone from his home in California. "It has the effect of

preserving the salary structure." Moss further said the owners could manipulate free agency, citing the experience of many free agents last winter.

"They came down really hard on free agents who were something less than superstars," he

"Almost everybody who was a veteran signed for a deep salary cut. At the time, everybody said it's a shame what they're doing to these veterans, but there's nothing we can do about it. I would predict that without the safety valve of salary arbitration, they would do the same thing with younger players except for the top stars. It's dancing on the edge of collusion, but on the safe

Moss said that if there were a trade, "you would need much stricter safeguards against colhusion." But he quickly added: "Even then I would be against it. It would be a move in the direction of the Charlie Finley proposal from

When the players gained free agency and the union was negotiating its conditions, Finley, then the owner of the Oakland Athletics, said the owners should let every player be a free agent

His fellow owners thought he was crazy and gnored him. Only Marvin Miller, then the head of the union, and Moss, his general counsel, understood the implications of the idea.

If every player were a free agent, the law of supply and demand would work against the layers and their bargaining leverage would be drastically undermined. Miller recalled Tuesday that the owners made

no great effort to get rid of arbitration, which the players won in 1973, during the 1976 negotiations. It came up, he said, only in the context of the discussion about eligibility for free agency. In 1980, he said, the owners wanted to kill the procedure and implement a salary scale. They didn't come off that position, he added, until the

two sides reached the players' strike deadline.

SIDELINES

Evans Wins 40th U.S. Swim Title

INDIANAPOLIS (Reuters) - Janet Evans has won her 40th U.S. national title at the U.S. swimming championships here. Evans, 22, led from the start to win the 400-meter freestyle in 4:08.78. The world-record holder in the event for the past six years, Evans tied the 200-meter butterfly world-record holder, Melvin Stewart, for most national titles with 40. It was also her 11th national title in the 400 freestyle.

Mathis Appeals N.J. Fight Decision

TRENTON, New Jersey (AP) — Lawyers for Buster Mathis Jr. have appealed to the New Jersey athletic commissioner, Larry Hazzard Sr., to reverse his "no contest" ruling in Mathis's heavyweight fight against Riddick Bowe.

With Mathis on one knee in last Saturday's bout in Atlantic City, Bowe hit him with a right that knocked Mathis over, the referee, Arthur Mercante, immediately stopped the fight and

called the blow an intentional foul. Mathis's attorneys wrote that under the rules, either Mathis should have been ruled the winner or the bout called a draw.

For the Record

The coach and the trainer of the Croatian basketball team at the recently concluded World Basketball Championships have been charged with sexual assault, Toronto police said, Giuseppe Giergia, 57, and Mirko Krolo, 38, were arrested at a Toronto hotel and granted bail of 7,500 Canadian dollars each.

(AP)

Representatives for the National Hockey League Players' Association and owners, who have been without a collective bargaining agreement since last September, will hold a negotiating session on Thursday. The two sides have not talked since March 16. (Reuters)

John Krimsky Jr., has been named executive director of the U.S. Olympic Committee. Krimsky, the chief fund-raiser for the USOC since 1986, will take over Oct. I from Harvey Schiller, who is leaving to become president of Turner Sports in Atlanta. (AP)

SCOREBOARD

Japanese Leagues

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FOOTBALL

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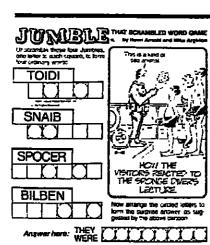
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MR. WILSON SAYS IF WE EVER MOVE, HE'S GONNA GIVE WE'THE BIGGEST GOIN-AWAY PARTY ANTRODY EVER HAD!"



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"Oh, they'll find something for you real soon, ... Me?





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AUSSIES' TURN - All Blacks' fullback Shane Howarth cuts between Australia's Willie Olahengaue, right, and Damien Smith, going on to score a try in the Bledisloe Cup game Wednesday in Sydney. New Zealand lost, 20-16.

Christie Wins a Wet 100 Meters

By Ian Thomsen International Herald Tribme

ZURICH - As for those

best-laid plans ... Properly billed as the closest thing to a world championship new, fast track and laid out \$4 million in hopes of demolishing as many as six world records. Then it had the whole thing overtaken by a thunderstorm and a coin toss.

For a time only Lerry Burrell, the world's fastest man, had any control of the situation, and that was when he instructed his agent to call heads.

The evening's favorite event. the men's 100 meters, was won in the rain-soaked, disappointing time of 10.05 seconds by Linford Christie, the British Olympic and world champion, who at 34 -- and without breaking 10 seconds this year — has resumed superiority over his American challengers

Jon Drummond was distant-

beyond the help of luck at 10.39 for seventh place. Dennis Mitchell, the American most expected to cash in on recent good form, was fourth in 10.23.

At the end of his victory lap in track and field this year, the Christie stood in the hard rain, Weltklasse Grand Prix built a placed up at the stacks of reglared up at the stacks of reporters squeezed beneath the stadium roof, tapped at his sculpted chest and mouthed: "I'm No. 1."

> At least the evening decided that much. Christie hadn't been so sure it would just 80 minutes earlier, before the first rain. Turning around at the end of his stride, he shook his head in disgust at the sight of his opening-heat time: 10.13 seconds. It had no He didn't know it would be the on Christie. best of the opening round.

Burrell, who just six weeks ago About one-tenth of the massive budget had been spent to amally second in 10.15 seconds, with gamate Burrell and 22 other of Olapade Adeniken of Nigeria the world's fastest men - evthird in 10.22. Burrell finished eryone but Carl Lewis, who

pulled out with a stomach infec-

Having experienced a terrible opening 50 meters of his second heat. Burrell burst even with his fellow American, Andre Cason. whose time of 10.30 seconds initially earned him the eighth and last spot in the final. But Burrell protested that decision, as he and Cason officially had shared third place in the heat with identical times.

The last second was split unsuccessfully to the thousandth hair; the smartest computers couldn't pry them apart. Their agents met somewhere under training in Moscow." cover of the rain. It was heads. It had no effect, ultimately.

'The national coach of Brit-Much more speed had been ain came to me after the heat in Des Moines." expected with the presence of and said it was the best race he had ever seen in such condiwas setting the world record of tions," he said. "They say I'm 9.85 seconds in Lausanne. old. Yes I'm old but not cold."

The storm fell hard soon after those 100-meter heats, stopping only for the occasional deep breath. The wind succeeded in knocking down the highjump bar before the highjumpers could (knocking out favorite Javier Sotomayor of Cuba completely, while Steve Smith of Britain won in 2.28 meters), and the rain made Nikes and Reeboks feel like army

The pole vault simply came to a halt at 5.70 meters, with Sergei Bubka of Ukraine and Maksim Tarasov and Rodion Gataulin of Russia sharing the championship. All the evening lacked was an accident involving a javelin.

Great races were run nonetheless, in spite of the times. The evening's final shot at world record came and went in

the men's 5,000 meters, as Paul Donovan of Ireland pushed a world-record pace through 2,000 meters before giving way. Then the race fell to tactics as the vastly talented Noureddine Morceli of Algeria took the lead over a distance to which he is not accustomed.

Khalid Skah of Morocco stayed with him for four laps, but when the bell sounded Morannouncing that he might world record of 12.91.

the 5,000 to those he owns in the 1,500 meters, the mile and the 3,000 meters.

Skah was left far behind and was overtaken by Fita Bayissa for the silver medal at the end. The American Bob Kennedy finished sixth.

In another terrific race, Irina Privalova of Russia, the recent European double champion. lunged in 22.15 seconds to beat her favored American rival. Gwen Torrence, by .01

"I had run in such conditions before," said Privalova, "while

In winter? "The rain was not my worst experience," said Torrence.
"This year I competed in snow

In winter. 'I've never competed with rain falling before," said American Jackie Joyner-Kersee, third at 6.95 meters behind Heike Drechsler of Germany (7.01) and winner Inessa Kravets (7.09) in a long jump, which was shortened by one round. "I hope I'll never meet such conditions again until the end of my

career. Sonia O'Sullivan of Ireland. where has definitely had bad experiences with the weather. had obviously lost her bid for the world record in the mile before the race started and then lost out to Hassiba Boulmerka of Algeria, who won in 4:22.09.

"This year was very hard for me because of the pressure from Algeria, because of the unstable situation in the country," said Boulmerka, the 1992 Olympic champion at 1,500 meters. She has been training in Germany and the United States as well as Algeria this year.

As expected, the American Michael Johnson won the 200 meters in 20.33 seconds, with Daniel Effiong of Nigeria sec-ond in 20.46. "In normal conditions, it would for sure have been under 20 seconds," Johnson said. "But what can you do running into such a head

The rain had mercifully stopped in time for Colin Jackcell took off to win in 13:03.85, son of Britain to win the high slashing 22 seconds off his Alhurdles in 13.19 seconds. gerian record set in 1990 and though again well off his own

The Pitfalls Awaiting Brazil's Latest Soccer Wonder

L like policemen; they seem a little younger

each day. When PSV Eindhoven paid \$6 million for Ronaldo Luiz Nazario de Lima, it put a high price on the promise of youth. Ronaldo is 17

years young.

Seventeen! He is a class kid, no doubt about that, Eindhoven

reportedly . stepped in ahead of AC Milan, Juventus and Ajax

ACROSS

1 1980 Olympic

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Amsterdam to buy this latest product from the back streets of Brazil.

Think of the vagaries of youth, the growth spurts that can unbalance a young man's command of his talent. Ponder the heart and mind and emotions - and how easily they can be turned. Time will tell if Ronaldo loses the carefree youth, the instinct that seems to simplify the

game of man, ball, and net. Simplicity is not guaranteed to mature with age. Like so much in life, repetition is the source and the goal of attainment — yet boredom with

repetition drives men to drink. Ronaldo knows the story of Garrincha. Brazil's "Little Bird" who rose to national acclaim but fell, lonely and broken, to a premature death from alcoholic poisoning. Perhaps, Ronaldo will hear of dribble and outwit men.

17 One-legged

- Grande

24 Care cup

26 Bull in

34 Spots on the

34 Drinkers

38 Great

42 Oil-rich -

43 In site, in a 45 Took hold

4 Old Syria

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again, as a plan

ONDON - Budding soccer millionaires are Gerd Muller, George Best, Jimmy Greaves. They were vintage goalscorers. Greatness bought them no immunity to doubt or drink.

Findhoven's purchase of Ronaldo takes precocity one step neares the cradle. Physically, he is a Man mother of Carlos Alberto Parreira, the national Child. The face of a boy on the body, especially the

muscular thighs, of a man amongst men.
Ronaldo's purchase is backed by Philips, the Dutch electrical giant that owns PSV Eindhoven. The company last year sold Romário, the player of this summer's World Cup; now it reinvests in another Brazilian expected to grow into the next Romário, indeed the next Pelé.

Ronaldo is lucky, but he has known rejection. When he was 13. Flamengo, the Rio de Janeiro club which prides itself on a factory system through which 3,000 juniors are assessed annually, turned him away. Reportedly, the problem was that Ronaldo's family could not afford the bus fares and Flamengo made no offer.

So the boy from the wastelands of Rio's rough Bento Ribeiro district, was taken to São Cristovão. The coach there was Jairzinho, the right wing in Brazil's 1970 World Cup side.

Cristovão soon cashed in its investment, selling him to Cruzeiro in Belo Horizonte. There he scored 55 goals in 57 first team matches. Right foot, left foot, head and body, he could score any way the ball came to him. He could run, pass,

CROSSWORD

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a Contents a Computer's

heart, for short

10 Ballet leaps 11 Opposite of afte

12 Smooth 15 Begin in earnes

18 Time of importance

21 Sampler 25 Weaken 26 "Fiddler" actor

27 Express 2 view

28 Ballet coach 30 Ad --- per Aspera (Kansas' motto)

32 Local theaters

33 Old music

36 Rub

35 Cote sound

The beat of a World Cup, a beat that excites all Ronaldo came to a World Cup was a full part in Brazilians, grew through this prolific season. training, a full part in the revelry, and a yellow Zico, Tostão, finally even Pelé, called for Ronal-balloon with which he kept slapping the men do's induction into the national team. Even the who had actually won the troohy.

Last May, with Romario and Bebeto away in Spain, Ronaldo played, and inevitably scored for Brazil against Iceland. "He is a phenomenon," declared Tostão, the doctor who ran alongside attacker - good physique, intelligence, ruthless, everything it takes."

coach, said it was time.

HREE months later, Ronaldo had a World THREE months rates, request to Eindhoven. Parreira had coached Brazil to the ultimate victory, and yet still was vilified for not putting "the any closer than the substitute's bench.

Maybe Parreira was as wise and as paternal as his pal Luis Cesar Menotti had been in resisting the clamor in 1978 to pitch the then teenage Diego Maradona into a World Cup. Surely the coach had proven his point with the prolific scoring partnership of Romário and Bebeto?

You might think so. Thousands of Brazilians nevertheless castigated Parreira. They included Pelé, who played in the 1958 World Cup, as a 17-

The argument is irrelevant now. The closest

Hold onto that image. Boyhood is fleeting. and so is the certainty of progress.

Remember Nii Lamptey Ordatey? He was the prodigy smuggled out of Ghana by RSC Anderlecht when he reached 14. Though Belgian law forbade Anderlecht to blood him until he was 16, Pele at the 1970 World Cup. "He's a complete and though the Ghanaian soccer federation had impounded his passport to prevent poaching, the Royal Sporting Club of Anderlecht still procured him on false papers.

Lamptey, you see, was the new Pele, the new Maradona. Anderlecht in time paid the Ghanaians \$50,000 as a gesture.

Bernard Tapie broadcast that there was a young player, two years away from full development, for whom his club Olympique Marseille had agreed to a \$15 million fee. Alas, Tapie's

boast fell as flat as his credit rating.

But Lamptey is moving on. Subject to British
Foreign Office red tape, he joins Aston Villa in England for one-tenth of the figure Tapie had in

Lamptey may yet rise above being labled the most gifted child of his generation. But the next Pelé? That, for now, is Ronaldo. Rob Hughes is on the statt of The Times

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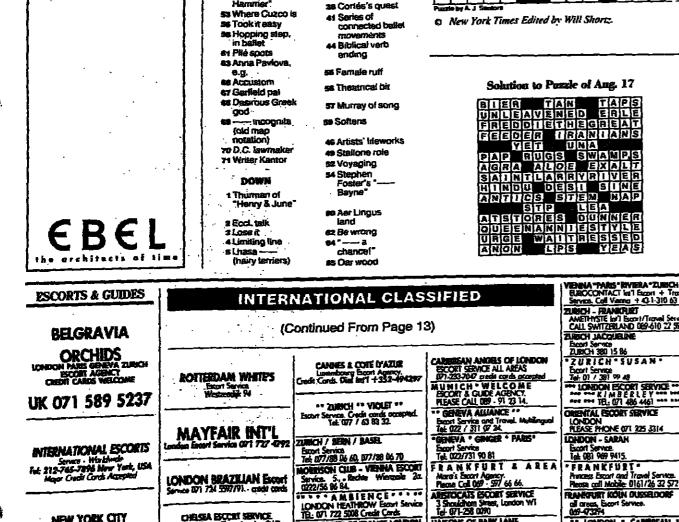
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ART BUCHWALD

'Ollie Needs His Gun'

MARTHA'S VINEYARD, persuasion can't be trusted to carry a concealed weapon, who are constantly asking me if I ever get emotionally involved with those I write about. The answer is I wouldn't be human if I didn't.

Take the recent outrage that was committed against Ollie North, the Republican Senate

nominee in Virginia. A county circuit judge refused renew North's request to carry a concealed weapon because he was not of "good character.

The judge ruled that he could not ignore North's convictions in Irangate, even though they were overturned. According to the judge, the crimes still showed that North was guilty of moral tur-pitude and lacking good char-

When I read this story, I almost wanted to cry. If a Senate candidate of Ollie's political

Bolivar Portrait Draws Apologies From Chile

SANTIAGO --- Chile apologized Tuesday to three other Latin American governments for a portrait of Simon Bolivar is not of good character is by an artist subsidized by the laughable. Just look at the peo-Chilean government that shows the independence hero as a half-naked transvestite. Post-cards of the painting were wide-

The picture by Juan Davila, led The Liberator Simon titled Bolivar 1994," depicts the hero with a woman's breasts, lace president's orders. You don't stockings and making an ob-scene gesture while astride a just because he can't remember multicolored horse. It sparked protests from three of Chile's neighbors, Venezuela, Colombia and Ecuador. Venezuela's envoy calling the painting "an affront to the national dignity of the people of Venezuela."

Europe

in this country can?

This is not just a frivolous whim. If Ollie wins the election and goes to the Senate, you can't expect him to serve there unarmed. Half the senators in this country believe Americans should have a pistol under their belts if they are going to make the laws of the land, and more than half have moral turpitude problems of their own.

When I first read the news I faxed this to Judge James L. Berry of Clark County: "If Ollie North is not permitted to carry a concealed weapon, then I refuse to carry one as well.

"North is as qualified to con-ceal a .45 in his pants as G. Gordon Liddy. Although Ollie may have been involved in arms deals with the Iranians, this does not mean he can't shoot

"Ollie is being supported by the Christian right, and this should be proof that he does practice moral turpitude. All he wants to do is be armed in case his rival Senator Robb charges that he is a liar.
"As a strong advocate of peo-

ple carrying concealed weap-ons, particularly when they are hunting or fishing, I will be per-sonally responsible for North's gun behavior. I assure you that he will not do anything in Virginia like he did in Iran.

"The charge that Ollie North ple he worked with in the White men in between.

"Every one of them will testify that North was doing nothing more than following the a lot of the details of Irangate when he testified on the stand.

"Please, sir, give Ollie his gun back. A person can't run in a Senate campaign in this country anymore unless he can shoot from the hip."

For Christian De Sica, a Foray Into Realism

By Ken Shulman

R OME — Alessandro Haber paces petulantly through the low-callinged, fluorescently lit. claustrophobic hospital corridor, repeating his lines in an obsessive chant as if searching for the right spell to propel him through the upcoming scene. The -year-old Italian character actor is between takes in Christian De Sica's "Uomini, Uomini, Uomini" (Men, Men, Men) of a scene in which his character, a middle-aged doctor named Bernardo Piccioni, discovers that his HIV test has turned out negative after an initial mistake of identity gave him a positive

"Piccioni with an "N," he crupts as the filming starts, shifting his tone toward the menacing as he excoriates the nurse who handed him the wrong result, "Not Picciovi with a 'V,' Piccioni with an 'N.

And I nearly wet my pants."
"Uomini, Uomini, Uomini" is a film about four
men in their 40s united by an indissoluble friend-

ship, and by their homosexuality.

"Italian cinema has always treated the phenomenon of homosexuality rather lightly," says De Sica, who wrote and directs the film, and also plays the part of Vittorio, a gay architect whose companion of 25 years suddenly decides to marry. In most films, be says, homosexuals are portrayed as "the usual queens who shake their bottoms, or who trail off into dark alleys in search of adventure. The reality of the life of gay men is quite different. And I wanted to make a film that told the truth."

Christian De Sica, 43, is an unlikely exponent for dramatic, realistic cinema. He is the son of Vittorio De Sica, the director of such neorealist classics as "Umberto D" and "Ladri di Bicicletta" (Bicycle Thieves) and "The Garden of the Finzi-Continis." The younger De Sica is best known for his work as an actor in light, comic films about wealthy Italians on winter holidays at St. Moritz or Cortina d'Ampezzo. He began acting at the age of 18 when Roberto Rossellini, father of his then-fiancee, Isabella, cast him in a small part in "Blaise Pascal." Since then, he has acted in nearly 50 films, 30 of which have been major Italian box office hits.

De Sica is a talented performer and actor who gives the impression of never having tried to fully harness his gift, letting it canter instead in fitful, disinterested spurts. As an artist, he was almost like a wealthy heir who survived by selling occasional parcels of an immense patrimony, working in television, variety theater and in a series of desultory, slapstick films. Paradoxically, his apparently perfunctory approach to acting also created a widespread impression that he is gay, an impression not founded in fact.

He remains one of Italy's most popular actors. and one of its highest paid. De Sica is not in the least defensive about his choice of roles. "Most of the films I've acted in have been cornedies of manner or farces," he says. "But I can tell you that in some cases it is easier to play a role in a Shakespearean tragedy than to recite some of the dialogue I've had to read." He recently acted in four television spots



Christian De Sica on set of his new film, "Uomini, Uomini, Uomini.".

for a brand of cooked Italian ham whose sales have actor's director, and dreams of abandoning his own risen 30 percent since the campaign was aired.
All this should change with "Uomini, Uomini, Uomini," De Sica's fourth film as director, and his first attempt at making a personal statement in film. This is Christian's own angle on homosexuality,' says the film's producer, Aurelio De Laurentiis. The film is about how these four men conceive their own nature. I've left him complete freedom on this film. My role is decisive in a genre film, the type of film I usually make. But this is an art film, and must be fashioned by the artist who conceived it."

Although a departure for both De Sica and De aurentiis, "Lomini" is only a calculated gamble. The \$2.5 million needed to make it is a fraction of what the producer usually spends on his annual winter holiday films. As additional insurance, the two men are also collaborating on a Christmas comedy, a film entitled "SPQR" that is set in pre-Christian Rome and stars the American comic actor Leslie Nielsen and De Sica.

De Sica's extensive experience in film gives him a broad and solid base as a director. Like his father, he is more interested in dialogue and gesture than he is in innovative camera work and movement. He is an

acting career to move definitively behind the cam-

"The thing that most distinguishes Christian on the set is his absolute professionalism," says Haber, who has worked with most of Italy's leading directors. "He knows what he wants from an actor, but he is also willing to listen. We all kick the ball around before and during a scene."

De Sica refuses to look at "Uomini" as an act of mement or personal redemption. He is not penitent about his previous work. Even his father, De Sica points out, financed his neorealist films by acting in a series of popular comedies. Still, "Uo-mini" is by far De Sica's most ambitious and heartfelt effort, and one in which he has invested, perhaps for the first time, the full mass of his talent and soul.

"Neorealism was born out of a need to tell the truth," explains the director. "Out of a need to show the suffering, hunger, and tragedy of life in Italy after the war. This film, too, was born out of a need to tell the truth. To tell a story that I believe needs to

WEEKEND DESTINATIONS.

Ken Shulman is an American writer based in Haly.

The Getty Squabble: Museum Backtracks

Timothy Clifford, director of the National Galleties of Scotland, tried to pacify John Paul Getty 2d on Wednesday after the enraged multimillionaire threatened to withdraw an offer of £1 million (\$1.5 million) to stop the export of "The Three Graces," a statue by Antonio Camova. Scottish and English galleries have struggled to raise £7.6 million to match what the Getty Museum in California has offered for the sculpture. If they can raise the cash, the British government can block its export. But Getty threatened to call it all off after Clifford accused him of being motivated by a family feud. Clifford immediately apologized.

The stepfather of a boy who accused Michael Jackson of molestation is suing Jackson, claiming he broke up the family by plying the boy, and his mother with thousands of dollars worth of gifts. The stepfather and his wife separated last fall, the stepfather's lawyer, Danny Davis, and The worth his mother and said. The youth, his mother and his biological father settled the molestation lawsuit for a reported \$15 million. The stepfather was not a party to the suit and got none of the settlement.

The American jazz musician and composer Bob Brook-meyer, 64, has signed a fouryear contract to conduct the Danish Radio Big Band in Copenhagen. Brookmeyer has played with Tex Beneke, Woody Herman, Gerry Muli-gan, Mel Lewis and Thad Jones.

Move over Mick? Nick Dag-ger thinks so as his The Coun-terfeit Stones opened their "world tour" at a rock festival in Leuven, Belgium. He says his group is probably the secondgreatest rock 'n' roll band in the world, after the real Stones that is Said Dagger, flanked by fel-low band members Keef Rick-ard and Byron Wood-Taylor-Jones: "They do the big stuff, big stadiums, and we do the close, dangerous stuff."

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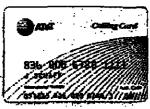


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